THE BARRO II TRUST

AN AUTHORISED UNIT TRUST

PROSPECTUS

(A Non-UCITS Retail Scheme with FCA Product Reference Number: 715070)

Prepared in accordance with the Collective Investment Schemes Sourcebook valid as at 22 March 2024

Evelyn Partners Fund Solutions Limited

Authorised and Regulated by the Financial Conduct Authority

DISCLOSURE

This document constitutes the prospectus of The Barro II Trust (the "**Trust**"), which has been prepared in accordance with that part of the FCA Handbook which deals with regulated collective investment schemes (the "Sourcebook") as published by the Financial Conduct Authority ("**FCA**") as part of its Handbook and, if separate, that part of the FCA Handbook which deals with Investment Funds ("**FUND**"). The Trust is an Authorised Unit Trust ("**AUT**") under the Financial Services and Markets Act 2000, as amended from time to time (the "**Act**") and is a non-UCITS retail scheme ("**NURS**") for the purposes of the categorisations in the Sourcebook.

This Prospectus is also prepared in accordance with the relevant provisions of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (the "**AIFMD**"), Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD (the "**Regulation**") and the United Kingdom implementing legislation (together, the "**AIFMD Rules**").

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 Prospectus is dated and is valid as at 22 March 2024.

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

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

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

The Prospectus is based on information, law and practice at the date of this Prospectus. The Trust is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published prospectus.

Evelyn Partners Fund Solutions Limited, 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 Sourcebook to be included in it.

The Trustee is not a person responsible for the information contained in this Prospectus and accordingly does not accept any responsibility therefore under the Sourcebook or otherwise.

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1 Definitions

Accumulation Units: net paying units, denominated in base currency, in the Trust as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the FCA Rules;

Act: Financial Services and Markets Act 2000 as amended;

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: Johnston Carmichael LLP, or such other entity as is appointed to act as auditor to the Trust from time to time;

AUT: a UK authorised unit trust scheme;

Authorised Investment Fund: an AUT or an ICVC;

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**: in relation to units, means (according to the context) 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;

Dealing Day: Friday of each week, but excluding the Friday falling in the same week as the last Business Day of the month, when the Trust will deal on that day;

EEA State: a member state of the European Union or any other state which is within the European Economic Area;

Efficient Portfolio Management: for the purposes of this Prospectus, means an investment technique where derivatives used are economically appropriate in that they are realised in a cost effective way and are used for one or more of the following purposes: reduction of risk, reduction of costs or the generation of additional capital or income for the Trust with a risk level which is consistent with the risk profile of the Trust and the risk diversification rules laid down in the Sourcebook;

Eligible Institution: 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;

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);

Income Unit: net paying units, denominated in base currency, in the Trust as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the FCA Rules net of any tax deducted or accounted for by the Trust;

Investment Manager: Rothschild & Co Wealth Management UK Limited, the investment manager to the Manager in respect of the Trust;

Manager: Evelyn Partners Fund Solutions Limited, the Manager of the Trust;

MiFID II means 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**: the value of the Scheme Property less the liabilities of the Trust as calculated in accordance with the Trust Deed;

Register: the register of unitholders of the Trust;

Registrar: Evelyn Partners Fund Solutions Limited, or such other entity as is appointed to act as Registrar and maintain the register to the Trust from time to time;

Regulated Activities Order: the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) as amended;

Scheme Property: the property of the Trust to be given to the Trustee for safe-keeping, as required by the FCA Handbook and in accordance with the requirements of Article 21(8) of the AIFMD;

SDRT: stamp duty reserve tax;

Sourcebook: the section of the FCA Handbook which deals with regulated collective investment schemes, as amended from time to time;

Switch: the exchange where permissible of units of one fund for units of another fund;

Trust Deed: the trust deed constituting the Trust, as amended from time to time in accordance with the Sourcebook;

Trust: The Barro II Trust;

Trustee: 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**: a unit or units in the Trust;

Unitholder: a holder of registered units in the Trust and whose name is entered on the register in relation to that unit;

Valuation Point: 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 p.m. London time on each Dealing Day, with the exception of any bank holiday in England and Wales or the last Business Day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the Manager and the Trustee; and

VAT: value added tax.

2 The Trust

2.1 Constitution

2.1.1 The Barro II Trust is an authorised unit trust pursuant to section 243(1) of the Financial Services and Markets Act 2000 constituted by a trust deed dated 11 September 2015 (as amended and restated from time to time) (the "**Trust Deed**"). It is a "non-UCITS retail scheme" for the purposes of the Sourcebook. The Trust is also an AIF for the purposes of AIFMD. The head office of the Trust is at 45 Gresham Street, London, EC2V 7BG. The authorisation from the FCA was given on 14 September 2015.

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2.1.2 The Trust will be invested in accordance with this Prospectus and the provisions of the Sourcebook applicable to a "non-UCITS scheme". Subject to the terms set out in this Prospectus, holders of units in the Trust are entitled to receive (or have accumulated) the net income derived from the Trust and to redeem their units at a price linked to the value of the property of the Trust. Unitholders do not have any proprietary interest in the underlying assets of the Trust. Unitholders are not liable for the debts of the Trust.

2.1.3 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.

2.1.4 The operation of the Trust is governed by the Sourcebook, the Trust Deed and this Prospectus.

3 Management and Administration

3.1 Manager

3.1.1 Evelyn Partners Fund Solutions Limited (the "**Manager**") is a private Company incorporated in England and Wales on 30 July 1985 (Registered Company No 1934644). The ultimate holding company is Evelyn Partners Group Limited, incorporated on 12 September 2002 (Registered No 4533948). The Manager is authorised and regulated by the FCA to manage alternative investment funds. It will be the "alternative investment fund manager" for the purpose of the AIFMD Rules. The Manager also acts as administrator of the Trust.

3.1.2 Registered Office and Head Office:

45 Gresham Street
London
EC2V 7BG

3.1.3 Issued and paid-up share capital:

£50,000 divided into Ordinary Shares of £1 each fully paid.

3.1.4 Information on the typical investor profile for the Trust is set out in Appendix G.

3.2 The Directors of Evelyn Partners Fund Solutions Limited are set out in Appendix I. None of the directors have any significant business activities not connected with the business of the Manager.

3.3 As at the date of this Prospectus, the Manager acts as manager or authorised corporate director of the authorised funds set out in Appendix J.

3.4 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.

3.5 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.

4 The Trustee

4.1 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 NatWest Group plc, which is incorporated in Scotland. The principal business activity of the Trustee is the provision of trustee and depositary services.

4.2 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.

4.3 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.

4.4 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 The Bank of New York Mellon London Branch (BNYM LB) ("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").

4.5 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.

5 The Investment Manager

5.1 Rothschild & Co Wealth Management UK Limited, incorporated in England and Wales, was appointed by the Manager to provide investment management and related services pursuant to an Investment Management Agreement. The principal activity of the Investment Manager is stockbroking and investment management.

5.2 The registered office of Rothschild & Co Wealth Management UK Limited is:

New Court
St Swithin's Lane
London
EC4N 8AL

5.3 An agreement has been made whereby Rothschild & Co Wealth Management UK Limited has been granted the authority to manage and make purchases and sales of investments for The Barro II Trust on the Manager's behalf and as the Manager's agent, in accordance with the objectives laid down by the Manager and the provisions of the Trust Deed and the Sourcebook. Rothschild & Co Wealth Management UK Limited has discretion to buy, sell, retain, exchange or otherwise deal in investments, subscribe for new issues, and accept placings, underwritings or sub-underwritings for the Trust.

5.4 Either party may terminate the agreement at any time by one month's written notice to the other. The Manager may terminate the Investment Management Agreement with immediate effect if this is in the interests of Unitholders.

5.5 The Investment Manager receives no dealing commission from the Manager. The Investment Manager's fee will be paid by the Manager out of the Manager's annual management charge.

5.6 Copies of the Investment Manager's execution policy and voting policy are available from the Manager on request.

5.7 Unitholders have no direct contractual rights against the Investment Manager pursuant to the Investment Management Agreement.

6 The Registrar

6.1 The Manager maintains a Register of Unitholders (the "**Register**") for the Trust which may be inspected at the office of the Manager at 177 Bothwell Street, Glasgow, G2 7ER, by or on behalf of the Unitholders, on any Business Day during normal business hours.

6.2 The Register is conclusive evidence of the title to units except in the case of any default in payment or transfer to a fund of cash or other property due and the Trustee and the Manager are not obliged to take notice of any trust or equity or other interest affecting the title to any of the units. The interest of an investor in the Trust is the beneficial interest of a beneficiary under a trust.

7 The Auditor

7.1 The Auditor of the Trust is Johnston Carmichael LLP, whose address is Bishop's Court, 29 Albyn Place, Aberdeen, AB10 1YL (the "**Auditor**").

7.2 The Unitholders have no direct contractual rights against the Auditor.

8 Conflicts of Interest

8.1 The Manager, the Trustee and the Investment Manager are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the Management of the Trust. In addition, the Trust may enter into transactions at arm's length with the companies in the same groups as the Manager. Each of the parties will, to the extent of their ability and in compliance with the FCA Rules, ensure that the performance of their respective duties will not be impaired by any such involvement.

8.2 Transactions may be effected in which the Manager or the Investment Manager has, either directly or indirectly, an interest that may potentially involve a conflict of its obligation to the Trust. Where a conflict cannot be avoided, the Manager and Investment Manager will have regard to their fiduciary responsibilities to act in the best interests of the Trust and its investors. The Manager and Investment Manager will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Trust than if the potential conflict had not existed.

8.3 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.

8.4 Copies of the Manager's and the Investment Manager's conflicts of interest policies are available from the Manager on request.

9 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 Manager 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.

10 Buying, Selling and Switching Units

The dealing office of the Manager is open from 9.00 am until 5.00 pm on each Business Day to receive requests for the purchase, redemption and switching of units, which will be effected at prices determined at the next Valuation Point following receipt of such request. Telephone calls may be recorded for training and monitoring purposes. The Manager may also, at its discretion, introduce further methods of dealing in Units in the future.

10.1 Buying Units

10.1.1 Procedure

10.1.1.1 Where the minimum investment levels allow, initial investments can only be made by sending a completed application form to the Manager's Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER, 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 Transfer Agency Team. The Manager will accept written instructions accompanied by payment for subsequent transactions which can be carried out by writing to the Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER. The Manager will also accept telephone purchases from FCA regulated entities for subsequent investments, which may purchase units by telephoning the Manager on 0141 222 1150. Where an instruction has been received by telephone, settlement is due within four Business Days of the Valuation Point. Purchases made by telephone are subject to risk limits at the Manager's discretion, and the Manager may at its discretion reject or defer an instruction to purchase Units until it is in receipt of cleared funds for the purchase (when the purchase of Units will be placed at the next Valuation Point following receipt of cleared funds). 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. 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.

10.1.1.2 The Manager, at its discretion has the right to cancel a purchase deal if settlement is materially overdue (being more than five Business Days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the applicant. The Manager is not obliged to issue Units unless it has received cleared funds from an investor.

10.1.1.3 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.

10.1.1.4 The Manager may accept requests to buy Units by electronic communication. Electronic communication does not include email.

10.1.1.5 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. In addition the Manager may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

10.1.1.6 Any subscription monies remaining after a whole number of units has been issued will not be returned to the applicant. Instead, smaller denomination units will be issued in such circumstances.

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

10.1.1.8 Unitholders have the right to cancel their transactions within 14 calendar days of receipt of their contract note. If a unitholder cancels their contract, they will receive a refund of the amount that they invested including the initial charge either in full or less a deduction to reflect any fall in unit price since the date of investment. This may result in a loss on the part of unitholders. If unitholders wish to exercise their right to cancel they should write to the Transfer Agency team at 177 Bothwell Street, Glasgow, G2 7ER. Unitholders will not be able to exercise their cancellation rights after 14 calendar days of receipt of their contract note. Unitholders should note that in certain circumstances, there may be a delay in returning their investment.

10.1.2 **Documentation the purchaser will receive**

10.1.2.1 A contract note giving details of the units purchased and the price used will be issued to the unitholder (the first named, in the case of joint holders) by the end of the next Business Day following the valuation point by reference to which the purchase price is determined, together with a notice of the applicant's right to cancel.

10.1.2.2 Unit certificates will not be issued in respect of units. Ownership of units will be evidenced by an entry on the Trust's register of unitholders. Tax vouchers in respect of half yearly distributions of income will show the number of units held by the recipient in respect of which the distribution is made. Individual statements of a unitholder's (or, when units are jointly held, the first named holder's) units will also be issued at any time on request by the registered holder.

10.1.3 **Minimum subscriptions and holdings**

10.1.3.1 The minimum initial and subsequent subscription levels, and minimum holdings, are set out in Appendix A. The Manager may at its discretion accept subscriptions lower than the minimum amount.

10.1.3.2 If a holding is below the minimum holding the Manager has discretion to require redemption of the entire holding.

10.1.4 **In Specie Issue**

If a unitholder requests, the Manager may at its discretion and subject to the approval of the Investment Manager and the Trustee, arrange for the Trust to accept permitted assets other than cash in settlement of a purchase of units in the Trust as provided for in the Sourcebook. In particular the Manager and Trustee will only do so where satisfied that the acceptance of the assets concerned would not be likely to result in any material prejudice to the interests of unitholders.

10.2 **Selling Units**

10.2.1 **Procedure**

10.2.1.1 Every unitholder has the right to require that the Trust redeem his units on any Dealing Day 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.

10.2.1.2 Requests to redeem units may be made writing to the Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER. The Manager may also, at its discretion and by prior agreement accept instructions to redeem units from FCA regulated entities to the Manager by telephone on 0141 222 1150 or by fax. The Manager may accept requests to sell 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.

10.2.2 **Documents the seller will receive**

A contract note giving details of the number and price of units sold will be sent to the selling unitholder (the first named, in the case of joint unitholders) or their duly authorised agents together with a form of renunciation for completion and execution by the unitholder (and, in the case of a joint holding, by all the joint holders) not later than the end of the next Business Day following the valuation point by reference to which the redemption price is determined. Payment will be made by BACS, telegraphic transfer or CHAPS in satisfaction of the redemption monies will be issued on settlement date, or on within four business days of the later of receipt by the Manager of the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Shareholders and completed as to the appropriate number of shares, together with any other appropriate evidence of title; whichever is the later.

10.2.3 **Minimum Redemption**

Part of a unitholder's holding may be sold but the Manager reserves the right to refuse a redemption request if the value of the units to be redeemed is less than any minimum redemption amount set out in Appendix A or would result in a unitholder holding less than the minimum holding, as detailed in Appendix A. In the latter case the unitholder may be asked to redeem their entire unitholding.

10.2.4 **In Specie Redemption**

10.2.4.1 If a unitholder requests the redemption of units, the Manager may, if it considers the deal substantial in relation to the total size of the Trust, arrange for the Trust to cancel the units and transfer Scheme Property to the unitholder instead of paying the price of the units in cash, or, if required by the unitholder, pay the net proceeds of sale of the relevant Scheme Property to the unitholder. A deal involving units representing 5% or more in value of the Trust will normally be considered substantial, although the Manager may in its discretion agree an in specie redemption with a unitholder whose units represent less than 5% in value of the Trust concerned.

10.2.4.2 Before the proceeds of cancellation of the units become payable, the Manager will give written notice to the unitholder that Scheme Property (or the proceeds of sale of that Scheme Property) will be transferred to that unitholder.

10.2.4.3 The Manager will select the property to be transferred (or sold) in consultation with the Trustee and the Investment Manager. They must ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming unitholder than to continuing unitholders, and any such redemption as set out above, shall be subject to a retention by the Trust from that property (or proceeds) the value (or amount) of any stamp duty reserve tax to be paid on the cancellation of units.

10.3 **Switching**

10.3.1 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.

10.3.2 Switching may be effected by writing to the Manager. The Manager may, at its sole discretion and by prior agreement, accept switching instructions by telephone from FCA regulated entities only. A switching unitholder must be eligible to hold the units into which the switch is to be made. The Manager may accept requests to switch 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.

10.3.3 The Manager may at its discretion charge a fee on the switching of units between Funds. These fees are set out in ‘Switching Fee’ below.

10.3.4 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.

10.3.5 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 Sourcebook.

10.3.6 A switch of units between different funds will be deemed to be a realisation for the purposes of capital gain taxation.

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

10.4 **Switching Fee**

10.4.1 On the switching of Units of one Fund for Units of another Fund the Trust Deed authorises the Manager to impose a switching fee. The fee will not exceed an amount equal to the then prevailing preliminary charge for the Class into which Units are being switched. The switching fee is payable by the Unitholders to the Trust. Currently no switching charge will be levied.

10.5 Unit Class Conversion

10.5.1 If applicable, a holder of Units in a Unit Class ("**Old Class Units**") may exchange all or some of his Units for Units of a different Unit Class ("**New Unit Class**"). An exchange of Old Class Units for New Class Units will be processed as a conversion ("**Unit Class Conversion**"). Unlike a switch, a conversion of Old Class Units into New Class Units will not involve a redemption and issue of shares. This transaction will not be included in the calculations for Stamp Duty Reserve Tax (see "Taxation" for further details), and for the purposes of Income Equalisation the New Class Units will receive the same treatment as the Old Class Units.

10.5.2 The number of New Class Units issued will be determined by a conversion factor calculated by reference to the respective prices of New Units and Old Units at the valuation point applicable at the time the Old Class Units are converted to New Class Units.

10.5.3 Unit Class Conversions may be effected either by telephone on 0141 222 1150 or in writing to the Manager's Transfer Agency Team. A converting unitholder must be eligible to hold the units into which the conversion is to be made. It is the Manager's intention that Unit Class Conversions will be processed at the next valuation time following receipt of the instruction, however the Manager reserves the right to defer a Unit Class Conversion until no later than after the next annual accounting date if it is in the interests of other unitholders. 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.

10.5.4 The Manager may accept requests to convert units by electronic communication. Electronic communication does not include email.

10.5.5 If the conversion would result in the unitholder holding a number of Old Class Units or New Class Units of a value which is less than the minimum holding in the Unit Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Class Units to New Class Units or refuse to effect any conversion of the Old Units.

10.5.6 Please note that, under current tax law, a conversion of Units between different Unit Classes will not be deemed to be a realisation for the purposes of capital gains taxation.

10.5.7 A unitholder who converts their Units in one Unit Class to Units in a different Unit Class will not be given a right by law to withdraw from or cancel the transaction.

11 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. In this connection, the Manager may, inter alia, reject in its discretion any application for the purchase, sale, and transfer or switching of Units.

12 **Money laundering**

As a result of legislation in force in the United Kingdom to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying shares. The Manager reserves the right to reverse the transaction or to refuse to sell shares if it is not satisfied as to the identity of the applicant.

13 **Direct Issue or Cancellation of units by a Trust through the Manager**

The Manager may require, on agreement with the Trustee, or may permit, on the request of a unitholder, direct issues and cancellations of units by the Trust.

14 **Suspension of Dealings**

14.1 The Manager may, with the prior agreement of the Trustee, and must, if the Trustee so requires, without notice to unitholders, temporarily suspend redemption of units for a period if the Manager (or the Trustee in the case of any requirement by it) is of the opinion that there is good and sufficient reason to do so having regard to the interests of unitholders. Units will not be issued during a period of suspension. The Manager will resume redemption and other dealings in units in accordance with the Sourcebook. The suspension will only be permitted to continue as long as it is justified having regard to the interests of the unitholders. The Manager must formally review the suspension every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

14.2 The Manager will notify all unitholders of the suspension in writing as soon as practicable and will publish details to keep Unitholders appropriately informed about the suspension, including its likely duration.

14.3 Re-calculation of the share price for the purpose of sales and purchases will commence on the next relevant Valuation Point following the ending of the suspension.

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

15 **Prices of Units**

The Manager will, on the completion of each valuation, advise the Trustee of the price for units in the Trust. These are the prices which the Manager must pay to the Trustee or which the Manager will receive from the Trustee upon the sale or cancellation of units. The Manager deals as principal and accordingly the price that is published from time to time is the price that is relevant to unitholders or potential unitholders. This price must not be greater than the applicable price on that day plus the Manager's preliminary (initial) charge. The Manager will notify the Trustee of the maximum sale price and the minimum redemption price at which dealings have occurred. (See 'Policy on Pricing' below). The redemption price last notified to the Trustee is available on request from the Manager.

16 **Policy on Pricing**

The Trust deals solely on a 'forward' basis i.e. all transactions (purchase or repurchase) will be executed at the next valuation point following receipt of instructions to deal. In accordance with the Sourcebook, the Manager may transact unit dealings outside of the range noted in 'Prices of Units' above when executing 'large' purchase or repurchase transactions. For this purpose, a 'large' transaction is considered by the Manager to be one in excess of £20,000 consideration. If such pricing variation is to occur, the Manager will inform the unitholder/purchaser at the time at which the transaction is placed.

17 **The Manager's Box**

17.1 The Manager may run a 'box' (i.e. hold units in the Trust in its own accounts).

17.2 It is not the intention of the Manager to make a profit from the box; however, it may inadvertently do so.

17.3 The Manager will return any profits made from the box to the Trust.

18 **Valuation**

18.1 The property of the Trust is valued at 12:00 noon every Friday of each calendar month, except for the last week of the month, where the valuation will take place on the last Business Day and not the Friday of that week for the purpose of determining forward prices at which units may be purchased or redeemed. The Manager may amend the time at which valuations are performed, introduce additional regular valuations or reduce the number of valuations performed with the Trustee's approval and in accordance with the Sourcebook.

18.2 The property of the Trust will be valued on the offer basis for the purpose of calculating the issue price of units and the amount of the preliminary (initial) charge and on the bid basis for the purpose of calculating the cancellation price of units or for determining the investment limits.

18.3 For the purpose of calculating the Manager's periodic charge the property of the Trust will be valued on a 'mid-market' basis.

18.4 The prices at which the Manager sells units ("offer") and buys back units ("bid") are based on the value of the underlying investments of the Trust.

18.5 The basis of valuation of the Trust is set out in Appendix D.

19 **Base Currency**

The base currency in which the Trust will be denominated is the Pound Sterling or such other currency as may be the lawful currency of the UK from time to time.

20 **Publication of Prices and Yields**

Prices will be published daily on the following website www.trustnet.com and will be also available by telephoning the Manager on 0141 222 1151 (local rate).

21 Characteristics of Units

21.1 A unit trust is a collective form of investment and the trust is divided into equal portions or “units”. The right represented by units is that of a beneficial interest under a trust. Investors are allocated units in proportion to the size of their investments in the respective Trust.

21.2 The Trust may issue “Income Units” and “Accumulation Units”. An Income Unit is a unit in respect of which net distributable income attributed to such units is distributed to holders on any relevant interim and annual allocation dates. However, holders of an Income Unit may elect at any time to have the distribution automatically reinvested. 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.

21.3 At present, only Income Units are issued.

21.4 Unitholders are not liable for the debts of the Trust.

22 Evidence of Title

22.1 Title to units will be evidenced by entries in a Register of Unitholders. An entitlement to participate in the property of the Trust will be divided equally between units of the same class in it. The nature of the right represented by units in the Trust is that of a beneficial interest under a trust.

22.2 Details of the number and type of units held will be notified to Unitholders on the regular tax vouchers issued every six months. Holding confirmations will also be available from the Manager, free of charge, on request.

23 Risk Factors

23.1 General Risks

23.1.1 The price of units of the Trust and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to future performance. There is no assurance that the investment objective of the Trust will actually be achieved.

23.1.2 The following statements are intended to summarise some of the risks, but are not exhaustive, nor do they offer advice on the suitability of investments.

23.2 Equities Risk

Where investments are in the shares of companies (equities), the value of those equities may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events. Currency exchange rate movements will also cause changes in value when the currency of the investment is other than sterling.

23.3 **Bonds And Debt Instruments (Including High Yielding Securities) Risk**

Where investments are in bonds or other debt instruments, the value of those investments will depend on market interest rates, the credit quality of the issuer and liquidity considerations. Investments in high yielding debt instruments where the level of income may be relatively high (compared to investment grade debt instruments); however the risk of depreciation and realisation of capital losses on such debt instruments held will be significantly higher than on lower yielding debt instruments.

23.4 **Lower Rated/Unrated Securities Risk**

The credit quality of debt instruments is often assessed by rating agencies. Medium and lower rated securities and unrated securities of comparable quality may be subject to wider fluctuations in yield, wider bid-offer spreads, greater liquidity premium and accentuated market expectations, and consequently greater fluctuations in market values, than higher rated securities. Changes in such ratings, or expectation of changes, will be likely to cause changes in yield and market values, at times significantly so.

23.5 **Collective Investment Schemes Risk**

The Trust may make investments in collective investment schemes. Such investments may involve risks not present in direct investments, including, for example, the possibility that an investee collective investment scheme may at any time have economic or business interests or goals which are not fully consistent with those of the Trust. Moreover, many alternative investment strategies give themselves significant discretion in valuing securities. There may be liquidity constraints and the extent to which an investee fund’s securities are valued by independent sources are factors which could impact on the Trust’s valuation.

23.6 **Leveraged Companies Risk**

Investments may be made in companies or collective investment schemes which borrow funds. Such companies or collective investment schemes may not be subject to any limitations on the amount of their borrowings, and the amount of borrowings that they may have outstanding at any time may be large in comparison to their capital.

23.7 **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.

23.8 **Investment Trust Risk**

The unit prices of investment trusts and closed-ended funds typically stand at a discount to their net asset value per unit. Such discounts may persist for long periods and/or widen. The Trust’s unit price, being calculated on the basis of the net asset value per unit, will reflect the current market value of the units of the investment trusts and closed-ended funds in which the Trust invests. The units of certain investment trusts and closed-ended funds in which the Trust invests may be valued in a market at a premium to their own net asset value per unit. In such cases the unit price of such investment trusts and/or closed-ended funds may eventually decline to a discount of their net asset value per unit. Investment trusts and closed-ended funds may borrow or otherwise leverage their exposure to their investments. Investments in such companies will tend to have more volatile results than investment in companies without gearing.

23.9 **Futures And Options Risk**

23.9.1 The Trust may use, under certain conditions, options and futures on indices and interest rates, for the purposes of efficient portfolio management. Also, the Trust may hedge market and currency risks using futures, options and forward exchange contracts. Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions make it impossible to execute such orders. Transactions in options also carry a high degree of risk. Selling ("**writing**") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or acquire or deliver the underlying interest. If the option is "covered" by the seller holding a corresponding position in the underlying interest or a future on another option, the risk may be reduced.

23.9.2 There is no guarantee that the Trust will achieve the objective for which it entered into a transaction in relation to Efficient Portfolio Management. This may result in losses for investors.

23.9.3 The Trust will be subject to the risk of the inability of any counterparty to perform its obligations. If a counterparty defaults the Trust may suffer losses as a result.

23.10 **Foreign Currency Risk**

The Trust may invest in securities denominated in a number of different currencies other than sterling in which the Trust is denominated. Changes in foreign currency exchange rates may adversely affect the value of a Trust's investments and the income thereon.

23.11 **Pricing and Valuation Risk**

For quoted investments a valuation price can be obtained from an exchange or similarly verifiable source. However, investment in unquoted and/or illiquid investments which are difficult to value may increase the risk of mispricing. Furthermore, the Trust will compute Net Asset Values when some markets are closed for holidays or other reasons. In these and similar cases a verifiable source of market prices will not be available and the Investment Manager may invoke its Fair Value process which will determine a fair value price for the relevant investments; this Fair Value process involves assumptions and subjectivity.

23.12 Emerging Countries And Developing Markets Risk

The Trust may invest in emerging markets which are undergoing rapid growth and regulatory change. Emerging markets present additional risks to those normally encountered in developed securities markets. These risks may be political, social and economic in nature and may be complicated by inflationary pressures and currency depreciation. The accounting and financial reporting standards, practices and disclosure requirements in some of the countries in which investments may be made may differ from those experienced in more developed markets. Similarly, reliability of the trading and settlement systems in such markets and the liquidity of these markets may not be equal to those available in more developed markets and this could lead to delays in settlement or affect the price at which investments could be realised. Government influence or control of private companies in some countries may be significant and investments may be exposed to the risks of political change, political uncertainty or governmental action. Such assets could be expropriated, nationalised, confiscated or subjected to changes in legislation relating to foreign ownership. The value of investments in emerging markets may therefore be adversely affected by political and/or economic conditions, which would, in turn, adversely impact on the performance of the Trust and its unit price.

23.13 Smaller And Unquoted Companies Risk

Significant investments may be made in smaller companies, in which there may be no established market for the shares, or the market may be highly illiquid. Because of this potential illiquidity investment in the Trust may not be appropriate for all investors, including those who are not in a position to take a long-term view of their investment. The Trust may also invest, directly and indirectly, in securities that are not listed or traded on any stock exchange. In such situations, the Trust may not be able to immediately sell such securities. The purchase price and subsequent valuation of these securities may reflect a discount, which could be significant, from the market price of comparable securities for which a liquid market exists.

23.14 Risk To Capital

This includes potential risk of erosion resulting from withdrawals or cancellations of units and distributions in excess of investment returns.

23.15 Liquidity Risk

In normal market conditions the Trust’s assets comprise mainly realisable investments which can be readily sold. The Trust’s main liability is the redemption of any units that investors wish to sell. In general the Trust manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Trust. If there were significant requests for redemption of units in the Trust at a time when a large proportion of the Trust’s assets was invested in illiquid investments, then the Trust’s ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in units in the Trust.

23.16 **Credit Risk**

Investments may be adversely affected if any of the institutions with which money is deposited suffers insolvency or other financial difficulties (default). Credit risk also arises from the uncertainty about an issuer's ultimate repayment of principal and interest for bond or other debt instrument investments. The entire deposit or purchase price of the debt instrument is at risk of loss if there is no recovery after default. The risk of default is usually greatest with bonds and debt instruments that are classed as 'sub-investment' grade.

23.17 **Settlement Risk**

All security investments are transacted through brokers who have been approved by the Investment Manager as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the Trust, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement never occurs the loss incurred by the Trust will be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Trust meets its settlement obligations but the counterparty fails before meeting its obligations.

23.18 **Custody Risk**

23.18.1 Assets of the Trust are kept by the custodian and investors are exposed to the risk of the custodian not being able to fully meet its obligation to restitute in a short time frame all of the assets of the Trust in the case of bankruptcy of the custodian. Securities of the Trust will normally be identified in the custodian's books as belonging to the Trust and segregated from other assets of the custodian which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The custodian does not keep all the assets of the Trust itself but uses a network of sub-custodians which are not part of the same group of companies as the custodian. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the custodian.

23.18.2 The Trust may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Trust that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the custodian will have no liability.

23.19 **Tax Risk**

Tax laws, currently in place, may change in the future which could affect the value of the Trust's and therefore the Unitholders' investments. Refer to the section headed 'Taxation' in the prospectus for further details about the taxation of the Trust.

23.20 **Inflation Risk**

Unless the performance of your investment keeps up with or beats inflation, the real value of your investments will fall over time.

23.21 **Political and/or Environmental Risk**

The investee companies may operate in countries where the ownership rights may be uncertain and development of the resources themselves may be subject to disruption due to factors including civil disturbances, industrial action, interruption of power supplies, as well as adverse climatic conditions.

23.22 **Market Risk**

The risk that the entire market of an asset class will decline thus affecting the prices and the values of the assets.

23.23 **Derivatives Risk**

Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management. The Manager may make use of a variety of derivatives and forward transactions in accordance with the Sourcebook. Where derivatives and transactions are used for Efficient Portfolio Management, then this will not compromise the risk profile of the Trust.

24 **Risk Management**

Upon request to the Manager a Unitholder can receive information relating to:

24.1 the quantitative limits applying in the risk management of the Trust;

24.2 the methods used in relation to the quantitative limits; and

24.3 any recent developments of the risk and yields of the main categories of investment in the Trust.

25 **Accounting Periods and Income Allocation Dates**

25.1 The accounting periods and income allocation dates of the Trust appear in "Details of the Trust" in Appendix A. 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 will be available upon request.

25.2 Annual reports will contain, among other information that may be determined by the Manager, from time to time, (a) a balance sheet or a statement of assets and liabilities, (b) an income and expenditure account for the year, (c) a report on the Trust's activities during the relevant year, (d) any material changes in the information contained in this Prospectus or disclosed to Unitholders on a periodic basis during the relevant year, (d) any disclosures regarding remuneration of the Manager's members and staff as may be required by the Sourcebook or AIFMD Rules. The Net Asset Value as well as information regarding the Trust's historical performance will be made available to prospective investors before they invest.

25.3 As required by the AIFMD Rules, and where applicable, the following information will be periodically provided to Unitholders by means of disclosure in the annual and half-yearly reports of the Trust or, if the materiality so justifies, notified to Unitholders separately:

25.3.1 the percentage of the Trust's assets which are subject to special arrangements arising from their illiquid nature;

25.3.2 any new arrangements for managing liquidity;

25.3.3 the current risk profile of the Trust;

25.3.4 any changes to the maximum level of leverage which the Manager may employ on behalf of the Trust as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement; and

25.3.5 the total amount of leverage employed by the Trust.

26 Distributions

26.1 The amount available for distribution in any distribution period is calculated by taking aggregate of the income received or receivable for the Trust in respect of the period and deducting relevant charges and expenses paid or payable out of income in respect of that period. The Manager then makes any adjustments, as it considers appropriate in relation to taxation, equalisation and any other necessary adjustments in accordance with the Sourcebook and generally accepted accounting principles.

26.2 Income arising from the Trust's investments accumulates during each accounting period. If, at the end of the accounting period, income exceeds expenses, the net income of the Trust is available for distribution. In order to conduct a controlled dividend flow to Unitholders, interim distributions will be made at the Manager's discretion, up to the maximum of the distributable income available for the period. All remaining income is distributed in accordance with the FCA Regulations.

26.3 Income will be distributed as a dividend payment where the Trust is deemed to be an Equity Trust or as an interest payment where the Trust is deemed to be a Bond Trust over the relevant accounting period. The treatment of income anticipated by the Manager is given in Appendix A, although Unitholders are advised the treatment of income will depend on the composition of assets over the accounting period. Income can only be distributed as an interest payment if the Trust has held the minimum Qualifying Investments over the accounting period (see Taxation for further details). Details of the treatment of income for taxation purposes over an accounting period will be given in a tax voucher sent to all Unitholders when the income is allocated.

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

26.5 If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Trust. If the Trust is no longer in existence the money will be paid to charity.

27 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.

27.1 Taxation of an Equity Trust

27.1.1 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.

27.1.2 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.

27.2 Taxation of a Bond Trust

27.2.1 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.

27.2.2 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.

27.3 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.

28 Automatic Exchange of Financial Account Information

28.1 US Foreign Account Tax Compliance Act (FATCA)

28.1.1 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.

28.1.2 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.

28.2 Common Reporting Standard

28.2.1 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.

29 Income Equalisation

29.1 An equalisation payment represents the accrued income included in the issue price of units which is to be returned to the purchaser of the units.

29.2 It should be noted that, in relation to allocation, grouping for equalisation is permitted by the Trust Deed.

29.3 Grouping for equalisation allows equalisation payments within a period to be aggregated and then divided equally amongst the units issued during the grouping period prior to distribution to the purchasers. Currently all purchases made between consecutive ex-dividend dates are grouped for equalisation purposes for the Trust.

30 Charges and Fees

30.1 The Manager

30.1.1 The Trust Deed permits the Manager to include initial (preliminary) charges in the issue price of units.

30.1.2 Periodic charges are also payable out of the property of the Trust by way of remuneration for the Manager's services. The Manager's periodic charge accrues daily and is payable monthly in arrears on the last Business Day of each month. The fee is calculated by reference to the value of the Trust at the last valuation point in the previous month. The Manager's periodic charge shall not be subject to the addition of Value Added Tax.

30.1.3 The current rates of initial charges and periodic charges appear in Appendix A.

30.1.4 The Manager is also entitled to reimbursement of all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including stamp duty and stamp duty reserve tax on transactions in shares and expenses incurred in effecting regulatory changes to the Trust.

30.1.5 In order to increase the charges, the Manager will need to assess whether such an increase would be a fundamental event, requiring Unitholder consent (in which case a Unitholder meeting would be required) or a significant event requiring Unitholders to be notified of the change 60 days in advance.

30.1.6 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.

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

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

30.2 **The Trustee**

30.2.1 The Trustee receives for its own account a periodic fee which will accrue due monthly on the last Business Day in each calendar month in respect of that day and the period since the last Business Day in the preceding month and is payable within seven days after the last Business Day in each month. The fee is calculated by reference to the value of the Trust on the last Business Day of the preceding month except for the first accrual which is calculated by reference to the first valuation point of the Trust. The rate of the periodic fee is agreed between the Manager and the Trustee.

30.2.2 Specifically, the Trust will pay:

30.2.2.1 0.0275% per annum plus VAT on Scheme Property below £50 million;

30.2.2.2 0.025% per annum plus VAT on Scheme Property between £50 million and £100 million;

30.2.2.3 0.02% per annum plus VAT on Scheme Property above £100 million,

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

30.2.3 These rates can be varied from time to time in accordance with the Sourcebook.

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

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

Item	**Range**
Transaction Charges	Between £5.00 and £472 per transaction
Safe Custody Charges	Between 0.003% and 0.50%* of the value of investments being held per annum *With the exception of: • USA (Physical Securities) - £14 per line per calendar month • Not in Bank / Not in Custody Assets - £65 per line per calendar month

30.2.6 These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the Trustee and the Manager. Custody charges accrue and are payable as agreed from time to time by the Manager and the Trustee.

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

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

~~30.2.9~~ On a winding up of the Trust the Trustee will be entitled to its pro rata fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

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

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

30.3 **Investment Manager's fees**

The Investment Manager's fees and expenses (plus any VAT thereon) are paid by the Manager from its annual management charge as detailed in Section 30.1 and Appendix A. On the giving of 60 days' notice to shareholders the investment management fee may be paid out of Scheme Property.

30.4 **Registrar Charges**

The Manager acts as Registrar to the Trust. The Registrar currently waives the right to collect a charge in respect of its duties on behalf of the Trust.

30.5 **Redemption Charge**

30.5.1 The Manager may make a charge on the redemption of units. At present no redemption charge is levied.

30.5.2 The Manager may not introduce a redemption charge on units unless, not less than 60 days before the introduction, it has given notice in writing to the then current Unitholders of that introduction and has revised and made available the Prospectus to reflect the introduction and the date of its commencement. If charged, the redemption charge will be deducted from the price of the units being redeemed and will be paid by the Trust to the Manager.

30.5.3 In the event of a change to the rate or method of calculation of a redemption charge, details of the previous rate or method of calculation will be available from the Manager.

30.6 **Other Payments out of the property of the Scheme**

30.6.1 The fees, costs and expenses relating to the authorisation and incorporation and establishment of the Trust, the offer of Units, the preparation and printing of this Prospectus and the fees of the professional advisers to the Trust in connection with the offer will be borne by the Trust and charged at the launch of the Trust.

30.6.2 The Manager may pay out of the Scheme Property of the Trust charges and expenses incurred by the Trust, which will include the following expenses:

30.6.2.1 the fees and expenses payable to the Manager and to the Trustee;

30.6.2.2 broker's commission, fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessarily incurred in effecting transactions for the Trust and normally shown in contract notes, confirmation notes and difference accounts as appropriate;

30.6.2.3 fees and expenses in respect of establishing and maintaining the register of Unitholders and any sub-register of Unitholders;

30.6.2.4 any costs incurred in or about the listing of Units in the Trust on any Stock Exchange, and the creation, conversion and cancellation of Units;

30.6.2.5 any costs incurred by the Trust in publishing the prices of the Units;

30.6.2.6 any costs incurred in producing and dispatching any payments made by the Trust, or the yearly and half-yearly reports of the Trust;

30.6.2.7 any fees, expenses or disbursements of any legal or other professional adviser of the Trust;

30.6.2.8 any costs incurred in taking out and maintaining any insurance policy in relation to the Trust;

30.6.2.9 any costs incurred in respect of meetings of Unitholders convened for any purpose including those convened on a requisition by Unitholders not including the Manager or an associate of the Manager;

30.6.2.10 liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Trust in consideration for the issue of Units as more fully detailed in the Sourcebook;

30.6.2.11 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;

30.6.2.12 taxation and duties payable in respect of the property of the Trust or the issue or redemption of Units;

30.6.2.13 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;

30.6.2.14 the fees of the FCA, in accordance with the FCA's fees manual, together with any corresponding periodic 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;

30.6.2.15 the Trustee's expenses, as detailed in Section 30.2.7 above;

30.6.2.16 any fees or expenses incurred in the winding-up of the Trust;

30.6.2.17 upon the retirement of the Manager, any reasonable fees or expenses incurred by the Manager in arranging for the transfer of the administration of the Trust together with all books, records and other data;

30.6.2.18 any fees or expenses incurred in the modification of the Prospectus and/or Trust Deed and/or the NURS Key Investor Information Document or Simplified Prospectus, to the extent permitted by the FCA Rules;

30.6.2.19 any fees or expenses incurred in sourcing external VAR calculations or global exposure calculations (if Commitment Approach adopted) where these are required;

30.6.2.20 any fees or expenses incurred in obtaining external independent valuations of specific financial instruments for which independent valuations are not readily available, e.g. "Over the Counter" derivatives and structured products; and

30.6.2.21 any payments otherwise due by virtue of the Sourcebook.

30.6.3 Value Added Tax is payable on these charges where appropriate.

30.6.4 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.

30.6.5 Expenses are allocated to income in accordance with the Sourcebook and as specified in Appendix A. Where expenses are allocated to income, but at the end of the accounting period there is insufficient income, the shortfall may be allocated to capital in accordance with the Sourcebook. This will only be done with the approval of the Trustee and may constrain capital growth.

31 Dealings by the Manager, The Trustee and The Investment Manager

31.1 The Sourcebook contain provisions governing any transaction concerning the Trust which is carried out by or with an 'affected person', that is to say:

31.1.1 the Manager,

31.1.2 an associate of the Manager,

31.1.3 the Trustee,

31.1.4 an associate of the Trustee,

31.1.5 any investment manager, and

31.1.6 any associate of any investment manager.

31.2 Those provisions enable an affected person to (inter alia) sell or deal in the sale of property to the Trustee for the account of the Trust; vest property in the Trustee against the issue of units in the Trust; purchase property from the Trustee acting for the account of the Trust; or provide services for the Trust.

31.3 Any such transactions with or for the Trust is subject to best execution or (alternatively) independent valuation or arm's length transaction requirements set out in the Sourcebook. Any services provided for the Trust must comply with the arm's length transaction requirements.

32 Meetings of Unitholders/Voting Rights

32.1 Requisition of Meetings

32.1.1 The Manager may requisition a general meeting at any time.

32.1.2 At any meeting of Unitholders of the Trust on a show of hands every holder who (being an individual) is present in person or (being a corporation) is present by its properly authorised representative has one vote. A poll may be demanded by the Chairman of the meeting, by the Trustee or at least two Unitholders. On a poll every holder who is present in person or by proxy shall have one vote for every complete undivided share in the property of the Trust and a further part of one vote proportionate to any fraction of such an undivided share of which he is the holder and a holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

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

32.2 Notice of Quorum

The Manager is entitled to receive notice of and attend any meeting of Unitholders but is not entitled to vote or be counted in the quorum. Any associate of the Manager holding units shall not be entitled to vote at such a meeting except in respect of units which he holds on behalf of a person who, if himself the registered holder, would be entitled to vote and from whom he has received voting instructions.

33 Termination and Amalgamation of the Trust

33.1 The Trustee shall proceed to wind up the Trust upon the happening of any of the following events: if the order declaring the Trust to be an authorised unit trust scheme is revoked; 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 that on the conclusion of the winding up of the Trust, it will accede to that request; on the effective date of a duly approved scheme of amalgamation of the Trust with another body or scheme; or on the effective date of a duly approved scheme of reconstruction which results in all the property of the reconstructed scheme becoming the property of two or more authorised or recognised schemes.

33.2 In the case of an amalgamation or reconstruction the Trustee shall wind up the Trust in accordance with the approved scheme of amalgamation or reconstruction. In any other case, the Trustee shall, as soon as practicable after the Trust falls to be wound up, realise the property of the Trust and, after paying out of it all liabilities properly so payable and retaining provision for the costs of the winding up, distribute the proceeds to the holders and the Manager (upon production by them of evidence as to their entitlement) proportionately to their respective interests in the Trust. Any unclaimed net proceeds or other cash held by the Trustee after the expiry of twelve months from the date on which the same became payable will be paid by the Trustee into court subject to the Trustee having a right to receive out of it any expenses incurred by him in making that payment into court. On completion of the winding up, the Trustee shall notify the FCA and the Trustee or the Manager shall request the FCA to revoke the order of authorisation.

34 Historic Performance

Historical performance data for the Trust, expressed as discrete annual returns in percentage terms, is set out in the bar charts in Appendix C. **Past performance should not be seen as an indication of future performance.**

35 Additional Information

35.1 The Trust Deed (and any Deeds supplemental thereto) and the most recent annual and half-yearly reports of the Trust may be obtained from the Manager or the Trustee or may also be inspected at the offices of the Manager. Copies of these documents may also be obtained from the Manager free of charge. An administration charge is made for the provision of copies of Deeds.

35.2 Where the Trustee finds it necessary to serve notices on unitholders, it will do so in written form, unless, in the opinion of the Trustee, there is a more expeditious method of service.

36 Telephone Recording

36.1 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.

37 Complaints

37.1 Any complaints regarding the Trust or the Manager should be addressed in writing to:

The Compliance Officer
Evelyn Partners Fund Solutions Limited
45 Gresham Street
London
EC2V 7BG

37.2 You are reminded of your right, if you so wish, to complain directly to the Financial Services Ombudsman whose address is The Office of the Financial Services Ombudsman, Exchange Tower, Harbour Exchange Square, London E14 9SR, telephone number 0800 023 4 567. A copy of the Manager's complaints handling procedure is available on request.

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

37.4 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.

38 Best Execution

38.1 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.

38.2 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.

39 **Inducements and Soft Commission**

39.1 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.

39.2 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.

39.3 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.

40 **Genuine Diversity of Ownership (GDO)**

40.1 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.

41 **Compensation**

41.1 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.

42 **Professional liability risk**

In accordance with the requirements of the AIFMD Rules, the Manager covers its potential liability risks arising from professional negligence by holding sufficient professional indemnity insurance and maintaining an amount of own funds within the meaning of Article 14 of the Commission Delegated Regulation (EU) No 231/2013.

43 **Governing Law**

43.1 All deals in Units are governed by the laws of England and Wales.

43.2 By applying for Units, the unitholder agrees to be bound by the Trust Deed and this Prospectus (as may be amended from time to time). The Trust, the Trust Deed and this Prospectus are governed by the laws of England and Wales. The Trust, the Manager and unitholders will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with a shareholder’s investment in the Trust or any related matter.

43.3 According to Council Regulation 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the

Brussels Regulation), a judgment given and enforceable in an EU Member State shall in principle be recognised in the other EU Member States without any special procedure being required and shall generally be enforceable in the other EU Member States on the application of any interested parties, save in certain circumstances. The Brussels Regulation has now been recast by way of the EU Regulation 1215/2012 of 12 December 2012.

44 Unitholders' Rights

No Unitholder receives preferential treatment over another Unitholder. Unitholders have the rights specified in this Prospectus and the Trust Deed.

45 Fair Treatment of Unitholders

45.1 To ensure the fair treatment of the Unitholders, all of the Unitholders invest on the terms of the Prospectus and the Trust Deed. As set out in Section 10.1 above, the application form completed by each Unitholder and the form of contract note received by each Unitholder will be on substantially the same terms for each Unitholder.

45.2 Subject to the Sourcebook, the Manager may at its sole discretion rebate its initial or periodic charges in respect of any application for, or holding of, units. Similarly the Trust may rebate or waive its charges in relation to any exchange of units. A proportion of the initial charge may be rebated to the introducer (the investor's financial intermediary) in the form of commission payment. The investor should check with the intermediary the amount of commission he or she has received.

45.3 Rebates are only likely to be paid in respect of investors who in the Manager's reasonable opinion are able to subscribe an amount in excess of the investment minimum and who have agreed specific terms of business with the Manager. Rebates may be paid to investors which are associates of the Manager.

46 Legal implications of the contractual relationship

46.1 Investors in the Trust will become Unitholders in an authorised unit trust established in England and Wales, with the rights, duties and obligations set out in the Prospectus, the Trust Deed and the Sourcebook.

46.2 The process of subscribing for and redeeming Units is set out in Section 10 of the Prospectus. A Unitholder can subscribe for units by sending a completed application form to the Manager and the Unitholder will receive a contract note giving details of the Units subscribed. Units subscribed for through regular investment will be included in the periodic report sent six monthly to investors. These documents comprise the investment contract between the Unitholder and the Trust.

46.3 A Unitholder will not be liable to make any further payment after it has paid the subscription price of its Units and no further liability can be imposed on it in respect of the Units which it holds.

APPENDIX A

Investment Objectives, Policy and Other Details

Investment of the assets of the Trust must comply with the Sourcebook and its own investment objective and policy. A detailed statement of the investment and borrowing restrictions applicable to the Trust is contained in Appendix B. Lists of the eligible securities and derivatives markets in which the Trust may invest are contained in Appendix E and Appendix F 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 K.

1 **Investment Objective**

The Trust aims to achieve a positive return over the course of an investment cycle (7 years) and is targeting a long-term return of CPI (Consumer Prices Index) + 3%. There is no guarantee that a positive return will be achieved over that, or any, time period.

2 **Investment Policy**

2.1 The Trust may utilise a range of asset classes in order to achieve its objective with no geographical restriction. These may include transferable securities, cash deposits, fixed income securities, warrants, money market instruments, collective investment schemes (regulated and unregulated), real estate investment trusts and gold

2.2 It is the Manager's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management. The Trust may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to Unitholders. The use of derivatives for investment purposes may alter the risk profile of the Trust.

2.3 The investment policy of the Trust may mean that at times, where it is considered appropriate, the property of the Trust will not be fully invested and that prudent levels of liquidity will be maintained.

2.4 The Manager does not have any investment in any immovable property or tangible movable property.

3 **Benchmark**

3.1 CPI (Consumer Price Index) + 3% is the target set for the Trust's performance to match or exceed over the course of an investment cycle (7 years).

3.2 The Manager has selected this target benchmark as the Trust believes it best reflects the objective to see absolute returns above inflation over a long term investment cycle after costs.

4 **Type of Investor**

Whether an investment in the Trust is appropriate for you will depend on your own requirements and attitude to risk. The Trust is designed for investors of any category, including retail investors, who:

4.1 want to achieve a balance of capital growth and income over the medium to longer term through investing in UK and overseas markets with the expertise of the Investment Manager,

4.2 can meet the minimum investment levels,

4.3 are able to commit to a long term investment in the Trust and take the risk of losing part or all of their investment capital, and

4.4 who understand and are willing to take the risks involved in investing in the Trust (as detailed under **"Risk Factors"**).

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.

If you have any doubts as to whether an investment in the Trust is suitable for you, please contact a financial adviser.

5 **Manager's Charges**

5.1 Initial (Preliminary) Charge

current initial charge: 5% of the issue price

5.2 Periodic (Annual Management) Charge

(Expressed as an annual percentage of the property of the Trust on a mid-market valuation basis)

current rate: Up to 1.15%

5.3 Charge for investment research

Current charge: None

6 **Trustee's Fees**

6.1 Periodic Charge

current rate:	0.0275% on first £50 million, 0.025% between £50 million and £100 million, 0.02% above £100 million (+ VAT)
minimum charge:	£7,500 per annum (+ VAT)

6.2 The rate of this fee is agreed between the Manager and the Trustee from time to time.

7 Other Charges

Such other charges and expenses as may properly be charged to the property of the Trust under the Sourcebook (see Section 30.6).

8 Distribution/Accounting Dates and Other Information

Distributions are made quarterly by the Trust and will normally take the form of 'dividend' distributions.

Interim Accounting dates*:	30 November (Half-year), last day of February and 31 August (Quarterly)
Interim Ex-dividend dates:	1 December (Half-year), 1 March and 1 September (Quarterly)
Interim Payment dates:	20 January, 20 April, 20 July and 20 October (Quarterly)
Annual Accounting date:	31 May
Annual Ex-dividend date:	1 June
Annual Payment date:	20 July
Minimum Initial/Retained Investment value:	£500,000
Subsequent Minimum Investment value:	£500,000
Only distribution (income) units are currently offered by this scheme.	
Charges taken from Income or Capital?	All charges will be taken from income. If at the end of an accounting period there is insufficient income the shortfall may be allocated to capital.
Income distributed as dividend or interest?	The Trust may distribute income in the form of a dividend or interest depending on the composition of the assets held over the accounting period.

APPENDIX B

Investment and Borrowing Powers of the Trust

1 The investment objectives of the Trust are set out in the "Trust Details" in Appendix A.

2 The Trust may exercise the full authority and powers permitted by the Sourcebook for an authorised unit trust belonging to the non-UCITS retail scheme type subject to its stated investment objective and policy and the restrictions stated in this Prospectus.

3 Generally the Trust will invest in the investments to which it is dedicated, including approved securities which are transferable securities or are traded on eligible securities markets, units in collective investment schemes, warrants, money market instruments, deposits and derivatives and forward transactions. New eligible securities markets may be added to the existing list only by the passing of a resolution of unit holders at a unit holders' meeting, unless the Manager and the Trustee have agreed in writing that the addition is of minimal significance to the investment policy of the Trust concerned, or the Manager has, not less than 60 days before the intended change, given notice in writing of the proposed change to the Trustee and unit holders and has revised the Scheme Particulars to reflect the intended change and the date of its commencement.

4 Eligible markets are regulated markets or markets established in the UK or an EEA State which are regulated, operate regularly and are open to the public; and markets which the Manager, after consultation with the Trustee, has decided are appropriate for the purpose of investment of or dealing in the property of the Trust having regard to the relevant criteria in the Sourcebook and guidance from the FCA. Such markets must operate regularly, be regulated, recognised, open to the public, adequately liquid and have arrangements for unimpeded transmission of income and capital to or to the order of the investors. The eligible securities and derivatives markets for the Trust are set out in Appendix E and Appendix F.

5 New eligible securities markets may be added to the existing list in accordance with the Sourcebook governing approvals and notifications.

6 It is not intended that the Trust will have any interest in any immovable property or tangible movable property.

7 **Prudent Spread of Risk**

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

8 **Spread – general**

8.1 Up to 10% in value of the property of a Fund may consist of transferable securities or approved money-market instruments issued by any one issuer. This limit does not apply to government and public securities.

8.2 Not more than 20% in value of the property of a Fund is to consist of deposits with a single body.

9 **Transferable securities and approved money-market instruments**

9.1 The Trust may invest in transferable securities and approved money-market instruments provided they are:

9.1.1 admitted to or dealt in on a regulated market; or

9.1.2 dealt in on a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or

9.1.3 admitted to or dealt in on a market which the Manager and the Trustee determine to be appropriate, the market is included in the list of eligible securities markets in Appendix E and the Trustee has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market and all reasonable steps have been taken by the Manager in deciding whether that market is eligible; or

9.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market where the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed in accordance with the Sourcebook; or

9.1.5 recently issued transferable securities provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market and the admission is secured within a year of issue.

9.2 Subject to the investment policy of the Trust, there is no limit on the value of the property of the Trust which may consist of transferable securities and approved money-market instruments referred to above. A Trust may invest up to 20% of the value of its property in transferable securities and money-market instruments (provided these are liquid and have a value which can be determined at any time) other than those referred to above (when aggregated with investments in unregulated collective investment schemes as set out below).

9.3 Subject to the Sourcebook, not more than 10% in value of the property of a Trust is to consist of transferable securities (excluding transferable securities or approved money-market instruments to which COLL 5.6.8R “Government and Public Securities” applies) or money-market instruments (including certificates representing certain securities) issued by any single body. This limit is raised to 25% in value of the property of a Trust in respect of covered bonds.

10 **Government and Public Securities**

10.1 This rule 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 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.

10.2 **Up to 100% of the Scheme Property of the Trust may be invested in government and public securities issued by or on behalf of or guaranteed by a single named issuer which may be one of the following:** the government of the United Kingdom and Northern Ireland and the governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, United Kingdom; or by or on behalf of the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.

10.3 If more than 35% in value of the Scheme Property of the Trust is invested in government and public securities issued by any one issuer, no more than 30% in value of the Scheme Property of the Trust may consist of such securities of any one issue and the Scheme Property must include at least six different issues whether of that issuer or another issuer.

11 **Collective Investment Schemes**

11.1 Except where the investment policy of the Trust is inconsistent with this, up to 100% in value of the Scheme Property of the Trust may be invested in units in other collective investment schemes although not more than 35% in value of the Scheme Property of the Trust is to consist of the units of any one collective investment scheme. Investment may be made in another collective investment scheme managed by the Manager or an associate of the Manager, subject to the rules set out in the Sourcebook relating to investment in associated collective investment schemes. Investment may only be made in other collective investment schemes whose maximum annual management charge does not exceed 5%.

11.2 Any investee scheme must:

11.2.1 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, as amended; or

11.2.2 be a recognised scheme under the provisions of Section 272 of the Financial Services and Markets Act 2000; or

11.2.3 be authorised as a non-UCITS retail scheme; or

11.2.4 be constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or

11.2.5 be a scheme not falling within Sections 11.2.1 - 11.2.4 and in respect of which no more than 20% in value of the Scheme Property of the Trust (including any transferable securities which are not approved securities) is invested.

11.3 The investee scheme must also operate on the basis of the prudent spread of risk, be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes (unless COLL 5.6.10AR applies) and the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price related to the net value of the property to which the units relate and determined in accordance with the scheme.

11.4 The Trust may invest in units of other collective investment schemes and pay any related charges or expenses for investing in such units unless the schemes are managed, operated or administered by the Manager (or one of its associates) in which case the Manager will pay no additional management charges to the Manager as the case may be.

11.5 Any second schemes in which the Trust invests will be established in the locations listed in Appendix K. The Trust may invest in second schemes established in locations not currently listed in Appendix K provided the second scheme satisfies the requirements of this Section 11.2.5 and the Sourcebook, where this occurs the list in Appendix K will be updated and an updated Prospectus issued.

12 **Feeder Schemes**

12.1 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.

12.2 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.

12.3 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.

12.4 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 (12.1)(a) to (d).

12.5 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.

12.6 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 (12.1)(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.

13 **Warrants and nil and partly paid securities**

13.1 Up to 100% in value of the Scheme Property of the Trust may consist of warrants provided that warrants may only be held if it is reasonably foreseeable there will be no change to the Scheme Property between the acquisition of the warrant and its exercise and the rights conferred by the proposed warrant and all other warrants forming part of the Scheme Property at the time of the acquisition of the proposed warrant will be exercised and that the exercise of the rights conferred by the warrants will not contravene the Sourcebook.

13.2 Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Trust at any time when the payment is required without contravening the Sourcebook.

13.3 A warrant which is an investment falling within article 80 of the Regulated Activities Order (Certificates representing certain securities) and which is akin to an investment falling within article 79 (Instruments giving entitlement to investments) of the Regulated Activities Order may not be included in the scheme property unless it is listed on an eligible securities market.

14 **Deposits**

Up to 20% in value of the Scheme Property of the Trust can consist of deposits with a single body. The Trust may only invest in deposits with an Approved Bank and which are repayable on demand, or have the right to be withdrawn, and maturing in no more than 12 months.

15 **Derivatives and forward transactions**

15.1 Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management. The Manager may make use of a variety of derivatives and forward transactions in accordance with the Sourcebook. Where derivatives and transactions are used for Efficient Portfolio Management, then this will not compromise the risk profile of the Trust. Use of derivatives and forward transactions will not contravene any relevant investment objectives or limits.

15.2 Except as set out in Section 15.6 below there is no upper limit on the use of transactions in derivatives or forward transaction for the Trust but they must fall under Section 15.3 and 15.5.

15.3 A transaction in a derivative or forward transaction must:

15.3.1 be an approved derivative; or

15.3.2 OTC in a future, an option or a contract for differences which must be entered into with a counterparty that is acceptable in accordance with the Sourcebook, must be on approved terms as to valuation and close out (i.e. the Manager carries out, at least daily, a reliable and verifiable valuation in respect of that transactions corresponding to its fair value and which does not rely 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 must be capable of valuation.

15.3.3 have the underlying consisting of any or all of the following to which the Trust is dedicated:

15.3.3.1 transferable securities;

15.3.3.2 permitted money market instruments;

15.3.3.3 permitted deposits;

15.3.3.4 permitted derivatives;

15.3.3.5 permitted collective investment scheme units;

15.3.3.6 financial indices;

15.3.3.7 interest rates;

15.3.3.8 foreign exchange rates; and

15.3.3.9 currencies.

15.3.4 be effected on or under the rules of an eligible derivatives market, it must not cause the Trust to diverge from its investment objective, must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units in collective investment schemes, or derivatives and must be with an approved counterparty.

15.4 Use of derivatives and forward transactions must be supported by a risk management process maintained by the Manager which should take account of the investment objective and policy of the Trust.

15.5 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 under Section 15.5.1.

15.5.1 Exposure is covered if adequate cover from within the Scheme Property for the Trust is available to meet its total exposure, taking into account the initial outlay, the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

15.5.2 Cash not yet received into the Scheme Property of the Trust, but due to be received within one month, is available as cover for the purposes of Section 15.5.1.

15.5.3 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.

15.5.4 The exposure relating to derivatives held in the Trust may not exceed the net value of its Scheme Property.

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

16 **General**

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

16.2 Cash or near cash must not be retained in the Scheme Property of the Trust except in order to enable the pursuit of the investment objective; or for redemption of Units in the Trust; or efficient management of the Trust in accordance with its investment objective or for a purpose which may reasonably be regarded as ancillary to the investment objective of the Trust.

16.3 The Trust may invest directly in gold up to a limit of 10% of Scheme Property.

17 **Stock lending**

The Trust may not enter into stock lending transactions (involving a disposal of securities in the Trust and reacquisition of equivalent securities).

18 **Borrowing powers**

18.1 The Trust may, subject to the Sourcebook, borrow money from an eligible institution or an Approved Bank for the use of the Trust on the terms that the borrowing is to be repayable out of the Scheme Property.

18.2 The Manager must ensure that borrowing does not, on any day, exceed 10% of the value of the Scheme Property of the Trust.

18.3 These borrowing restrictions do not apply to “back to back” borrowing to be cover for transactions in derivatives and forward transactions.

19 **Leverage**

19.1 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. 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.

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

19.2.1 the Trust may borrow up to 10% of its net asset value from an Approved Bank; and

19.2.2 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 A and detailed in Appendix B.

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

19.4 The following restrictions apply to the use of leverage:

19.4.1 Leverage through Borrowing: The Trust may borrow from Eligible Institutions or Approved Banks only; and

19.4.2 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 Sourcebook 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.

19.5 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

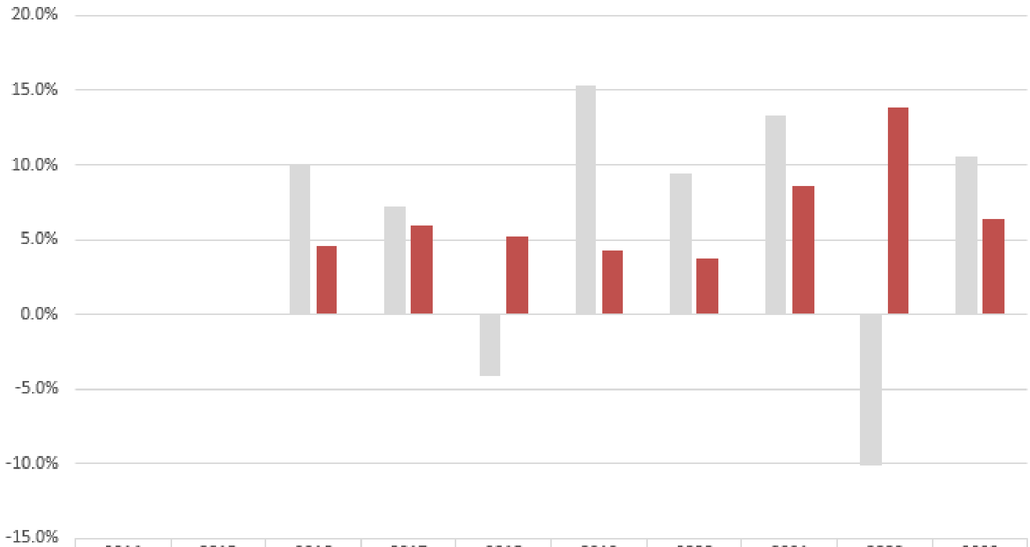
(b) under the Commitment Method is 130 per cent.

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 C

Historical Performance Data

The Barro II Trust



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fund			9.9%	7.2%	-4.1%	15.3%	9.4%	13.3%	-10.1%	10.6%
UK CPI All Items NSA + 3%			4.6%	6.0%	5.2%	4.3%	3.7%	8.6%	13.8%	6.4%

Source: FE findinfo 2024

Mid to Mid, net income reinvested, net of charges and tax. Performance does not include the effect of any initial or redemption charges.

APPENDIX D

Valuation

1 The value of the property of the Trust shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

2 All the property of the Trust (including receivables) is to be included, subject to the following provisions.

3 The valuation of the property of the Trust shall consist of two parts, one on an issue basis and one on a cancellation basis calculated in accordance with the following provisions.

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

4.1 property which is not cash (or other assets dealt with in section 6 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

4.1.1 units or shares in a collective investment scheme:

4.1.1.1 if a single price for buying and selling units or shares is quoted, at that price plus any dealing costs (as defined below), any preliminary charge payable by the Trust on the purchase of the units or shares, and any dilution levy or SDRT provision which would be added in the event of a purchase by the Trust of the units or shares in question (except that, where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, the valuation must not include any preliminary charge payable in the event of a purchase by the Trust of those units or shares); or

4.1.1.2 if separate buying (offer) and selling (bid) prices are quoted, at the buying price, less any expected discount plus any dealing costs (as defined below), but where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, the issue price shall be taken instead of the buying price; or

4.1.1.3 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value, at a value which, in the opinion of the Manager, is fair and reasonable;

4.1.2 exchange-traded derivative contracts:

4.1.2.1 if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or

4.1.2.2 if separate buying and selling prices are quoted, at the average of the two prices;

4.1.3 over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the Manager and the Trustee;

4.1.4 any other investment:

4.1.4.1 the best available market dealing offer price on the most appropriate market in a standard size (plus any dealing costs, (as defined below)); or

4.1.4.2 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the Manager's best estimate of the value, at a value which, in the opinion of the Manager, is fair and reasonable; and

4.1.5 property other than that described in sections 4.1.1, 4.1.2, 4.1.3 and 4.1.4 above: at a value which, in the opinion of the Manager, is fair and reasonable (plus any dealing costs (as defined below)).

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

5.1 Property which is not cash (or other assets dealt with in section 6 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

5.1.1 units or shares in a collective investment scheme:

5.1.1.1 if a single price for buying and selling units or shares is quoted, at that price (less any dealing costs (as defined below), any redemption charge payable by the Scheme on the sale of the units or shares, (taking account of any expected discount) and any dilution levy or SDRT provision which would be deducted in the event of a sale by the Trust of the units or shares (except that, where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, any redemption charge payable in the event of a sale by the Trust of those units or shares must not be deducted)); or

5.1.1.2 if separate buying (offer) and selling (bid) prices are quoted, at the selling price less any dealing costs (as defined below) and any redemption charge payable on the sale of the units or shares taking account of any expected discount (except that, where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, the cancellation price shall be taken instead of the selling price; or

5.1.1.3 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value, at a value which, in the opinion of the Manager, is fair and reasonable;

5.1.2 exchange-traded derivative contracts:

5.1.2.1 if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or

5.1.2.2 if separate buying and selling prices are quoted, at the average of the two prices;

5.1.3 over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the Manager and the Trustee;

5.1.4 any other investment:

5.1.4.1 the best available market dealing bid price on the most appropriate market in a standard size (less any dealing costs (as defined below)); or

5.1.4.2 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the Manager's best estimate of the value, at a value which, in the opinion of the Manager, is fair and reasonable; and

5.1.5 property other than that described in sections 5.1.1, 5.1.2, 5.1.3 and 5.1.4 above: at a value which, in the opinion of the Manager, is fair and reasonable (less any dealing costs (as defined below)).

6 Cash and amounts held in current, deposit and margin accounts and in other time related deposits shall be valued at their nominal values.

7 In determining the value of the Scheme Property, all instructions given to issue or cancel units shall be assumed (unless the contrary is shown) to have been carried out and any payment made or received and any consequential action required by the Sourcebook or the Trust Deed shall be assumed (unless the contrary has been shown) to have been taken.

8 Subject to sections 9 and 10 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken.

9 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under section 8.

10 All agreements are to be included under section 8 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the Manager's employment take all reasonable steps to inform it immediately of the making of any agreement.

11 Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Trust; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax.

12 Deduct an estimated amount for any liabilities payable out of the property of the Trust and any tax thereon treating periodic items as accruing from day to day.

13 Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.

14 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.

15 Add any other credits or amounts due to be paid into the property of the Trust.

16 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.

17 Currencies or values in currencies other than the base currency shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of unit holders or potential unit holders.

18 For the purposes of this Appendix D, "dealing costs" means any fiscal charges, commission or other charges payable in the event of the Trust carrying out the transaction in question (but excluding any preliminary charge payable by the Trust on the purchase of units or shares), assuming that the commission and charges (other than fiscal charges) which would be payable by the Trust are the least that could reasonably be expected to be paid in order to carry out the transaction.

APPENDIX E

Eligible Securities Markets

The Trust may deal through securities markets established in the UK or EEA/EU Member States on which transferable securities admitted to official listing in these states are dealt in or traded. In addition, up to 20% in value of the Trust may be invested in transferable securities which are not approved securities.

The Trust may also deal in certain of the securities markets listed below and those derivatives markets indicated in Appendix F.

1	Australia	Australian Securities Exchange
2	Brazil	BM&FBOVESPA S.A.
3	Canada	Montreal Exchange
		Toronto Stock Exchange
4	China	Shanghai Stock Exchange
		Shenzhen Stock Exchange
5	Hong Kong	Hong Kong Exchanges and Clearing Company
6	India	BSE Limited
7	Indonesia	Indonesia Stock Exchange
8	Israel	Tel Aviv Stock Exchange
9	Japan	Tokyo Stock Exchange
		Osaka Exchange
		Nagoya Stock Exchange
		Sapporo Securities Exchange
		The OTC Market(s) regulated by the Japan Securities Dealers Association;
10	Malaysia	Bursa Malaysia
11	Mexico	Mexican Stock Exchange (Bolsa Mexicana de Valores)
12	New Zealand	New Zealand Exchange Ltd
13	Peru	Lima Stock Exchange (Bolsa de Valores de Lima)
14	Philippines	Philippine Stock Exchange

15	Republic of Korea	Korea Exchange
16	Singapore	Singapore Exchange
17	South Africa	JSE Limited
18	Sri Lanka	Colombo Stock Exchange
19	Switzerland	SIX Swiss Exchange
20	Taiwan	Taiwan Stock Exchange
21	Thailand	Stock Exchange of Thailand
22	Turkey	Borsa Istanbul
23	United States	NYSE MKT LLC
		New York Stock Exchange
		NYSE Arca
		NASDAQ OMX PHLX
		NASDAQ
		The OTC Market(s) in US securities, regulated by FINRA and SEC

APPENDIX F

Eligible Derivatives Markets

1	Australia	Australian Securities Exchange
2	Canada	The Montreal Exchange
3	Canada	Toronto Stock Exchange
4	Hong Kong	Hong Kong Exchanges and Clearing Company
5	Japan	Osaka Securities Exchange
6	Japan	Tokyo Financial Exchange
7	Japan	Tokyo Stock Exchange
8	Korea, Republic of	Korea Exchange
9	Singapore	Singapore Exchange
10	South Africa	JSE Limited
11	Switzerland	Eurex Zurich
12	United States of America	Chicago Board Options Exchange
13	United States of America	CME Group
14	United States of America	ICE Futures U.S.
15	United States of America	NASDAQ
16	United States of America	NASDAQ OMX Futures Exchange
17	United States of America	NASDAQ OMX PHLX
18	United States of America	New York Stock Exchange
19	United States of America	NYSE Arca
20	United States of America	NYSE MKT LLC

APPENDIX G

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 Trust is suitable for all investor types of all levels of knowledge and experience coming into the trust from all available distribution channels.

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

The Trust seeks to increase capital with a neutral stance on income growth over a long time period.

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

APPENDIX H

Directory

The Trust and Head Office

The Barro II Trust
45 Gresham Street
London
EC2V 7BG

Manager, Administrator & Registrar

Registered Office:
Evelyn Partners Fund Solutions Limited
45 Gresham Street
London
EC2V 7BG

Correspondence Address:
Transfer Agency Team
177 Bothwell Street
Glasgow
G2 7ER

Telephone Numbers:
For Dealing - 0141 222 1150
For Prices, Registration and Other Enquiries - 0141 222 1151

Investment Manager

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

Trustee

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

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

Auditors

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

APPENDIX I

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 J

List of Authorised Funds that Evelyn Partners Fund Solutions Limited Acts as Authorised Fund Manager for

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	Glairnrox 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

	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 Princedale 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 K

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 Trust 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