

VT MUNRO SMART-BETA FUND

(an investment company with limited liability registered
in England and Wales under registered number IC000551)

PROSPECTUS

Valid as at 1 February 2017

**PROSPECTUS
OF
VT MUNRO SMART-BETA FUND**

This document constitutes the Prospectus for the VT Munro Smart-Beta Fund (the “Company”) which has been prepared in accordance with the terms of the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of their Handbook of rules made under the Financial Services and Markets Act 2000 (the “Act”).

The Prospectus is dated and is valid as at 1 February 2017.

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

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 hereof. The Company is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published prospectus.

Valu-Trac Investment Management Limited, the ACD of the Company, 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 FCA Regulations to be included in it. Valu-Trac Investment Management Limited accepts responsibility accordingly.

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

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

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

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Valu-Trac Investment Management Limited.

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

This Prospectus is based on information, law and practice at the date hereof. The Company and ACD cannot be bound by an out of date prospectus when a new version has been issued and investors should check with Valu-Trac Investment Management Limited that this is the most recently published prospectus.

Shares in the Company are not listed on any investment exchange.

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

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DEFINITIONS

“ACD”	Valu-Trac Investment Management Limited, the Authorised Corporate Director of the Company from time to time;
“Accumulation Shares”	net paying shares, denominated in base currency, in the Company 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;
“Approved Bank”	(in relation to a bank account opened by the ACD): <ul style="list-style-type: none">(a) if the account is opened at a branch in the United Kingdom:<ul style="list-style-type: none">(i) the Bank of England; or(ii) the central bank of a member state of the OECD; or(iii) a bank; or(iv) a building society; or(v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or(b) if the account is opened elsewhere:<ul style="list-style-type: none">(i) a bank in (a); or(ii) a credit institution established in an EEA State other than in the United Kingdom and duly authorised by the relevant Home State Regulator; or(iii) a bank which is regulated in the Isle of Man or the Channel Islands; or(iv) a bank supervised by the South African Reserve Bank
“Approved Derivative”	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”	FKF Accounting Limited, or such other entity as is appointed to act as auditor to the Company from time to time;
“Business Day”	a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of the Company's portfolio of securities or a significant portion thereof, the ACD may decide that any business day shall not be construed as such;
“Company”	VT Munro Smart-Beta Fund, a UK authorised investment company with variable capital;
“COLL”	refers to the appropriate chapter or rule in the COLL Sourcebook;
“the COLL Sourcebook”	the Collective Investment Schemes Sourcebook issued by the FCA as amended from time to time;
"Custodian"	The Bank of New York Mellon SA/NV, or such other entity as is appointed to act as custodian from time to time;
“Dealing Day”	Monday to Fridays excluding UK public and bank holidays;
“Depository”	National Westminster Bank plc, the depository of the Company from time to time;
“EEA State”	a member state of the European Union or any other state which is within the European Economic Area;
“Efficient Portfolio Management”	an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost or generation of additional capital or income with an acceptably low level of risk;
“Eligible Institution”	one of certain eligible institutions as defined in the glossary of definitions to the FCA Handbook;
“the FCA”	the Financial Conduct Authority or any successor body;
“the FCA Handbook”	the FCA’s Handbook of Rules and Guidance, as amended from time to time;
“FCA Regulations”	The FCA Handbook (including the rules contained in the Collective Investment Schemes Sourcebook) as part of the FCA Rules;
“FCA Rules”	the FCA handbook of rules made under the Act;

“Hedging”	the use of derivative transactions (which the ACD reasonably believes to be economically appropriate and to be fully covered) to reduce risk and cost to the Company and to generate additional capital or income with no, or with an acceptably low level of risk;
“Income Shares”	net paying shares, denominated in base currency, in the Company 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 Company;
“Investment Adviser”	currently the ACD;
“Net Accumulation Shares”	accumulation shares which are net pay shares;
“Net Asset Value” or “NAV”	the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Company’s Instrument of Incorporation;
“Net Income Shares”	income shares which are net paying shares;
“Net Paying Shares”	shares (of whatever class) of the Company as may be in issue from time to time and in respect of which income allocated thereto is credited periodically to capital (in the case of accumulation shares) or distributed periodically to the holders thereof (in the case of income shares) in either case in accordance with the relevant tax law net of any tax deducted or accounted for by the Company;
“OEIC Regulations”	the Open-Ended Investment Companies Regulations 2001 as amended or re-enacted from time to time;
“Register”	the register of shareholders of the Company;
“Registrar”	Valu-Trac Investment Management Limited, or such other entity as is appointed to act as Registrar and maintain the register to the Company from time to time;
“Regulated Activities Order”	The Financial Services and Markets Act 2000 (Regulated Activities Order) 2001 (SI 2001/544) as amended from time to time;
“Scheme Property”	the property of the Company to be given to the Depositary for safe-keeping, as required by the FCA Regulations;
“Share Class”	in relation to shares, means (according to the context) a particular class or classes of share as described in Section 3;
“SDRT”	stamp duty reserve tax;

“Sub-fund”	a sub-fund of the Company (being part of the Scheme Property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated which is invested in accordance with the investment objective applicable to that sub-fund.
“Switch”	the exchange where permissible of shares of one class for shares of another class.
“Valuation Point”	the point on a Dealing Day whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company for the purpose of determining the price at which shares 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 ACD and the Depositary.
“VAT”	value added tax.

1 The Company

- 1.1 The Company is an investment company with variable capital, whose effective date of authorisation by the Financial Services Authority was 18 July 2007. Its registration number is IC000551.
- 1.2 The Head Office of the Company is at Level 13 Broadgate Tower, 20 Primrose Street, London, EC2A 2EW and is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.
- 1.3 The base currency of the Company is Pounds Sterling. Investors should note that if the United Kingdom participates in the third stage of the Economic and Monetary Union of the European Union and Sterling ceases to exist, the ACD may convert the base currency of the Company from Sterling to Euros. The ACD in consultation with the Depositary shall determine the best means to effect this conversion.
- 1.4 The maximum share capital of the Company is currently £10,000,000,000 and the minimum is £100. Shares in the Company have no par value and therefore the share capital of the Company at all times equals the Company's current Net Asset Value.
- 1.5 Shareholders in the Company are not liable for the debts of the Company.

2 Company Structure

- 2.1 The Company is a UCITS scheme. The Company has an “umbrella” structure meaning that it comprises a number of separate Sub-funds holding different portfolios of assets. The Company does not intend to have an interest in immovable or tangible movable property.
- 2.2 Sub-funds are segregated portfolios of assets and, accordingly, the assets of one Sub-fund belong exclusively to that Sub-fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Sub-fund, and shall not be available for any such purpose. While the provisions of the OEIC Regulations provide for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.
- 2.3 Investment of the assets of each Sub-Fund must comply with COLL and details of the Sub-funds, including their investment objectives and policies are set out in Appendix 1.

3 Sub-funds and Share Classes

- 3.1 The Sub-funds and Share Classes currently in existence and whether or not they are available for dealing as at the date of this Prospectus are set out in Appendix 1. There is currently only one Sub-fund in existence. Further Sub-funds and Share Classes may be made available in due course, as the ACD may decide.

- 3.2 Different classes of shares may be established in respect of each Sub-fund from time to time by the ACD with the approval of the FCA (where necessary). These may include Net Income Shares or Net Accumulation Shares. Different Share Classes may be denominated in different currencies and/or have different subscription criteria, minimum holdings and charging structures. The subscription criteria, minimum holdings and charging structure applying to the classes are set out in Appendix 1. These limits may be waived at the discretion of the ACD.
- 3.3 Where a Sub-fund has more than one Share Class, each class may attract different charges and expenses and so monies may be deducted from the classes in unequal proportions. In these circumstances, the proportionate interests of the Share Classes within a Sub-fund will be adjusted accordingly.
- 3.4 When available, shareholders are entitled (subject to certain restrictions) to switch all or part of their shares in one Share Class for shares of a different Share Class or in one Sub-fund for shares in another Sub-fund. Details of this switching facility and the restrictions are set out in Sections 13 and 14.3.
- 3.5 The minimal initial investment for the various types of share classes is set out in Appendix 1. These limits may be waived at the discretion of the ACD.

4 Management and Administration

4.1 Authorised Corporate Director

4.1.1 The Authorised Corporate Director of the Company is Valu-Trac Investment Management Limited which is a private company limited by shares incorporated in England and Wales under the Companies Act 1985. The ACD was incorporated on 3 October 1989 (Registered Company No 02428648).

4.1.2 Registered Office:

Level 13 Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Head Office and Correspondence Address:

Orton
Moray
IV32 7QE

Share Capital: £873,295 ordinary shares of £1 each issued and paid up

4.1.3 The Directors of the ACD are set out in Appendix 7 together with details of any significant business activities not connected with the business of the ACD.

4.1.4 The ACD is responsible for managing and administering the Company's affairs in compliance with the FCA Regulations. The ACD may delegate its management and administration functions, but not responsibility, to third parties, including associates, subject to the FCA Regulations.

- 4.1.5 As at the date of this Prospectus, the ACD acts as manager or authorised corporate director of the authorised funds set out in Appendix 8. The Company has no directors other than the ACD.

4.2 **Terms of Appointment**

- 4.2.1 The ACD was appointed by an agreement between the Company and the ACD (the “ACD Agreement”). The ACD Agreement provides that the appointment of the ACD may be terminated upon 6 months’ written notice by either the ACD or the Company, although in certain circumstances the ACD Agreement may be terminated forthwith by notice in writing by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. Termination cannot take effect until the FCA has approved the appointment of another authorised corporate director in place of the retiring ACD.
- 4.2.2 The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement. To the extent allowed by the FCA Regulations the ACD Agreement provides indemnities to the ACD other than for matters arising as a direct consequence of fraud, negligence, bad faith, wilful default, breach of trust or breach of duty by the ACD in the performance of its duties and obligations to the Company.
- 4.2.3 The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it makes on the issue or re-issue of shares or cancellation of shares which it has redeemed. The fees to which the ACD is entitled are set out in Sections 29 and 30. Copies of the ACD Agreement are available to shareholders upon request.
- 4.2.4 The main business activities of the ACD are (i) acting as an authorised corporate director; (ii) acting as an authorised fund manager; and (iii) fund administration.

4.3 **Remuneration Policies and Practices**

- 4.3.1 FCA Rules require that the ACD applies remuneration policies and practices that are consistent with, and promote, effective risk management for certain categories of staff (namely those whose activities have a material impact on the risk profile of the ACD or the UCITS funds that it manages (“Code Staff”). The ACD, taking account of the principle of proportionality, has in place a remuneration policy (the “Remuneration Policy”) which is reviewed at least annually.
- 4.3.2 The ACD considers the Remuneration Policy to be appropriate to the size, internal operations, nature, scale and complexity of the Sub-funds and in line with the risk profile, risk appetite and the strategy of the Sub-funds.
- 4.3.3 The Remuneration Policy will apply to the fixed and variable (if any) remuneration received by the Code Staff.
- 4.3.4 In respect of any investment management delegates, the ACD requires that: (i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the European Securities and Market’s Authority’s (“ESMA’s”) Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD / Article 14 of the UCITS Directive; or (ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order

- to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines or the FCA Handbook.
- 4.3.5 The ACD's remuneration policy requires, amongst other items, that the remuneration practices within the ACD :
 - 4.3.6 are consistent with and promote sound and effective risk management;
 - 4.3.7 do not encourage risk taking and are consistent with the risk profiles of the funds which the ACD manages; and
 - 4.3.8 do not impair the ACD's ability to comply with its duty to act in the best interests of the funds which it manages.
 - 4.3.9 Details of the Remuneration Policy, including a description of how remuneration and benefits are calculated, and the identities of persons responsible for awarding the remuneration and benefits, will be made available on the ACD's website (www.valu-trac.com) and a paper copy will be made available free of charge from the ACD upon request.

5 **The Depositary**

- 5.1 National Westminster Bank Plc is the Depositary of the Company.
- 5.2 The Depositary is incorporated in England as a public limited company. Its registered and head office is at 135 Bishopsgate, London EC2M 3UR. The ultimate holding company of the Depositary is The Royal Bank of Scotland Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is banking. The Depositary is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority. It is authorised to carry on investment business in the United Kingdom by virtue of its authorisation and regulation by these regulators.

Duties of the Depositary

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

Conflicts of interest

- 5.4 The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.
- 5.5 It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the UCITS or a particular Sub-fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.
- 5.6 Nevertheless, as the Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

- 5.7 Up to date information regarding (i) the Depositary's name, (ii) the description of its duties and any conflicts of interest that may arise between the Company, the shareholders or the ACD and the depositary, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Shareholders on request.

Delegation of safekeeping functions

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

- 5.9 The Depositary has delegated safekeeping of the Scheme Property to The Bank of New York Mellon SA/NV, London branch ("the Custodian"). In turn, the Custodian has delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("Sub-custodians"). A list of Sub-custodians is given in Appendix 5. Investors should note that the list of Sub-custodian is updated only at each Prospectus review. An updated list of Sub-custodians is maintained by the ACD at www.valu-trac.com.

Updated information

- 5.10 Up-to-date information regarding the Depositary, its duties, its conflicts of interest, the delegation of its safekeeping functions and a list showing the identity of each delegate and sub-delegate will be made available to unitholders on request.

Terms of appointment

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

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

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

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

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

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

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

5.18 Details of the fees payable to the Depositary are given in section 32.

6 **The Investment Adviser**

As part of its duties as ACD, Valu-Trac Investment Management Limited will provide investment management services to the Company. It may from time to time appoint other entities to provide it with investment advice.

7 **The Auditors**

The Auditors of the Company are FKF Accounting Limited 4th Floor Metropolitan House, 31-33 High Street, Inverness, IV1 1HT.

8 **The Administrator and Register of Shareholders**

The ACD has not delegated the role of administrator for the Company.

The Register of Shareholders is maintained by the ACD at its office at Orton, Moray, IV32 7QE and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

9 **Conflicts of Interest**

The ACD and the Depositary 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 Company. In addition, the Company may enter into transactions at arm's length with companies in the same group as the ACD.

The Depositary may, from time to time, act as depositary of other companies or funds, and as trustee or custodian of other collective investment schemes. As the Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

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

Under the FCA's Conduct of Business (Dealing and Managing) rules, it is permitted for execution and research services, which reasonably assist the ACD in the provision of investment services to its customers, to be paid for from dealing commissions. When deciding on investments for the Sub-funds, the ACD receives investment research from brokers to assist and add value to the effective decision making process. Once investment decisions have been made, the ACD places the trades through various brokers, and incurs execution costs for doing so. The ACD may enter into commission sharing agreements with selected brokers to whom commission will be paid for such services, who in turn may share a portion of the commission generated (on instruction from the ACD) with other research brokers who have provided research information. These costs are not directly charged to the client, but form part of the normal dealing costs incurred by the Sub-funds.

The ACD is under no obligation to account to the Depositary or to the participants in any of the Sub-funds for any profits or benefits it makes or receives that are derived from or in connection with dealing in Shares, any transaction in the property of a Sub-fund or the supply of services to the Company and accordingly will not do so.

Copies of the ACD's conflicts of interest policies are available from the ACD on request.

10 Buying, Selling and Switching Shares

The dealing office of the ACD is open from 8.30 am until 5.30 pm on each Dealing Day to receive requests for the sale or purchase, redemption and switching of shares, which will be effected at prices determined at the next valuation point following receipt of such request.

11 Buying Shares

11.1 Procedure

11.1.1 Shares can be purchased by sending a completed application form to the ACD at Orton, Moray IV32 7QE or by electronic means acceptable to the ACD. Application forms are available from the ACD at the above address or by telephoning the ACD on 01343 880 344.

11.1.2 The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

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

11.1.4 Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a contract notice from the ACD. If a shareholder 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 share price since the date of investment. This may result in a loss on the part of shareholders. If shareholders wish to exercise their right to cancel, they should write to the ACD at Orton, Moray IV32 7QE. Shareholders will not be able to exercise their cancellation rights after 14 calendar days of receipt of their contract note. Shareholders should note that in certain circumstances, there may be a delay in returning their investment.

11.2 Documentation

11.2.1 Subject to the prior receipt from the applicant of cleared funds, a contract note giving details of the shares purchased and the price used will be issued to the shareholder (the first named, in the case of joint shareholders) by the end of the next Business Day following the Valuation Point by reference to which the purchase price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

11.2.2 Settlement is due prior to the despatch to the purchaser of the contract note.

11.2.3 Share certificates will not be issued in respect of shares. Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Statements in respect of quarterly distributions of income will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's (or, when shares are jointly held, the first named holder's) shares will also be issued at any time on request by the registered holder.

11.3 **Minimum Subscriptions and Holdings**

11.3.1 The minimum initial and subsequent subscription levels, and minimum holdings, are set out in Appendix 1. The ACD may at its discretion accept subscriptions lower than the minimum amount.

11.3.2 If a holding is below the minimum holding the ACD has discretion to require redemption of the entire holding.

11.4 **In Specie Issue**

11.4.1 If a shareholder requests, the ACD may, subject to the approval of the Depositary, arrange for the Company to accept securities in settlement of a purchase of shares in the Company.

12 **Selling Shares**

12.1 **Procedure**

12.1.1 Every shareholder has the right to require that the Company redeem his shares on any Dealing Day unless the value of shares which a shareholder wishes to redeem will mean that the shareholder will hold shares with a value less than the required minimum holding, in which case the shareholder may be required to redeem his entire holding.

12.1.2 Requests to redeem shares may be made to the ACD by telephone on 01343 880 344 or in writing to the ACD at the address set out in Appendix 6 or by electronic means acceptable to the ACD. Any request initially made by telephone will require to be made formally in writing.

12.2 **Documents the Seller Will Receive:**

12.2.1 A contract note giving details of the number and price of shares sold will be sent to the selling shareholder (the first named, in the case of joint shareholders) or their duly authorised agents together (if sufficient written instructions have not already been given) with a form of renunciation for completion and execution by the shareholder (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. Payments will be made by BACS, telegraphic transfer or CHAPS in satisfaction of the redemption monies and will be issued within four business days of the later of:

- 12.2.2 receipt by the ACD 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; and
- 12.2.3 the Valuation Point following receipt by the ACD of the request to redeem.

12.3 **Minimum Redemption**

Part of a shareholder's holding may be sold but the ACD reserves the right to refuse a redemption request if the value of the shares to be redeemed is less than the entirety of the shareholder's holding of the Share Class concerned and less than any minimum redemption amount for the relevant Share Class set out in Appendix 1 or would result in a shareholder holding less than the minimum holding of the relevant Share Class, as detailed in Appendix 1.

12.4 **In Specie Redemption**

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

Before the proceeds of cancellation of the shares become payable, the ACD will give written notice to the shareholder that Scheme Property (or the proceeds of sale of that Scheme Property) will be transferred to that shareholder.

The ACD will select the property to be transferred (or sold) in consultation with the Depositary. They must ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing shareholders, and any such redemption as set out above, shall be subject to a retention by the Company from that property (or proceeds) the value (or amount)(if any) of any stamp duty reserve tax to be paid on the cancellation of Shares.

12.5 **Direct Issue or Cancellation of shares by an ICVC through the ACD**

Not applicable. Shares are issued or cancelled by the ACD making a record of the issue or cancellation and of the number of shares of each class concerned.

12.6 **ACD Dealing as Principal**

The ACD will, on the completion of the valuation of each Sub-fund advise the Depositary of the issue and cancellation prices of shares of that Sub-fund. These are the prices which the ACD has to pay to the Depositary for the issue of shares or which the ACD will receive from the Depositary upon the cancellation of shares. The ACD deals as principal in these shares and may hold shares for its own account. However, shares will generally only be held by the ACD to facilitate share orders and will not be held for speculative purposes. Any profits

or losses arising from such transactions shall accrue to the ACD and not to the Sub-fund. The ACD is under no obligation to account to the Depositary, or to shareholders for any profit it makes on the issue or re-issue of shares or cancellation of shares which it has redeemed.

13 Switching

- 13.1 If applicable, a holder of shares may at any time switch all or some of his shares (“Old Shares”) for shares of another class of the Company (or, once further Sub-funds are launched, for shares or another Sub-fund) (“New Shares”). The number of New Shares issued will be determined by reference to the respective prices of New Shares and Old Shares at the valuation point applicable at the time the Old Shares are repurchased and the New Shares are issued.
- 13.2 Switching may be effected either by telephone on 01343 880 344 or in writing to the ACD and the shareholder may be required to complete a switching form (which, in the case of joint Shareholders must be signed by all the joint holders). A switching Shareholder must be eligible to hold the shares into which the switch is to be made.
- 13.3 The ACD may at its discretion charge a fee on the switching of shares between classes or between Sub-funds. These fees are set out in Section 14.3.
- 13.4 If the switch would result in the Shareholder holding a number of Old Shares or New Shares of a value which is less than the minimum holding, the ACD may, if it thinks fit, convert the whole of the applicant’s holding of Old Shares to New Shares or refuse to effect any switch of the Old Shares. No switch will be made during any period when the right of shareholders to require the redemption of their shares is suspended. The general provisions on selling shares shall apply equally to a switch.
- 13.5 The ACD may adjust the number of New Shares 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 Shares or repurchase or cancellation of the Old Shares as may be permitted pursuant to the FCA Regulations.
- 13.6 Please note that, under current tax law, a switch of shares in one Sub-fund for shares in any other Sub-fund is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of capital gains taxation although a switch of shares between different share classes in the same Sub-fund will not be deemed to be a realisation for the purposes of capital gains taxation.
- 13.7 A shareholder who switches shares in one class for shares in any other class or in another Sub-fund will not be given a right by law to withdraw from or cancel the transaction.

14 Dealing Charges

14.1 Preliminary Charge

The ACD may impose a charge on the sale of shares to investors which is based on the amount invested by the prospective investor. The preliminary charge is payable to the ACD. Full details of the current preliminary charge for each class of share are set out in Appendix 1.

14.2 **Redemption Charge**

- 14.2.1 The ACD may make a charge on the redemption of shares. At present no redemption charge is levied.
- 14.2.2 The ACD may not introduce a redemption charge on shares unless, not less than 60 days before the introduction, it has given notice in writing to the then current shareholders 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 shares being redeemed and will be paid by the Company to the ACD.
- 14.2.3 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 ACD.

14.3 **Switching Fee**

On the switching of shares of one class for shares of another class the Instrument of Incorporation authorises the Company to impose a switching fee. The fee will not exceed an amount equal to the then prevailing preliminary charge for the Class into which shares are being switched. The switching fee is payable by the Company to the ACD. Currently no switching charge will be levied.

15 **Other Dealing Information**

15.1 **Dilution Levy**

- 15.1.1 The basis on which the Company's investments are valued for the purpose of calculating the issue and redemption price of shares as stipulated in the FCA Regulations and the Company's Instrument of Incorporation is summarised in Section 21. The actual cost of purchasing or selling investments may be higher or lower than the mid market value used in calculating the share price - for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the shareholders' interest. In order to prevent this effect, called "dilution", the ACD has the power to charge a "dilution levy" on the sale and/or redemption of shares. As a dilution levy is not currently charged on the sale and/or redemption of shares (except on large deals, as defined below), the cost of purchasing or selling investments for the Company subsequent to shareholder dealing will be borne by the Company with a consequent effect on future growth. If the ACD decides in the future to charge a dilution levy on all deals, it will be calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes. If charged, the dilution levy will be paid into the Company and will become part of its property.
- 15.1.2 The dilution levy for the Company will be calculated by reference to the estimated costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes.

15.1.3 The need to charge a dilution levy will depend on the volume of sales or redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected, and if charging a dilution levy is, so far as practicable, fair to all shareholders and potential shareholders. In particular, the dilution levy may be charged in the following circumstances:

15.1.3.1 where over a dealing period the Company has experienced a large level of net sales or redemptions relative to its size;

15.1.3.2 on “large deals”. For these purposes, a large deal means a single deal which equals or exceeds 5% or more of the value of the size of the Company; and

15.1.3.3 where the ACD considers it necessary to protect the interests of the shareholders of the Company.

It is therefore not possible to predict accurately whether dilution would occur at any point in time. If a dilution levy is required then, based on future projections the estimated rate or amount of such levy will be 0.625% on sales and .125% on redemptions and will be incurred on around 10% of deals. If a dilution levy is not charged then this may restrict the future growth of the Company.

The ACD may alter its dilution policy in accordance with the FCA Regulations either by shareholder consent pursuant to the passing of a resolution to that effect at a properly convened meeting of shareholders and by amending this Prospectus or by giving shareholders notice and amending the Prospectus 60 days before the change to the dilution policy is to take effect.

16 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 ACD 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.

17 Restrictions and Compulsory Transfer and Redemption

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no shares 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 ACD may, inter alia, reject in its discretion any application for the purchase, sale, transfer or switching of shares.

18 Suspension of Dealings in the Company

18.1 The ACD may, with the agreement of the Depositary, and must if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of shares in the Company, if the ACD or the Depositary is of the opinion that due to exceptional circumstances it is in the interest of all shareholders. The suspension

will only be permitted to continue for as long as it is justified having regard to the interests of the shareholders. The ACD and the Depositary must formally review the suspension at least 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.

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

- 18.2 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.

19 **Governing Law**

All deals in shares are governed by English law.

20 **Valuation of the Company**

- 20.1 The price of a share in the Company is calculated by reference to the Net Asset Value of the Company. There is only a single price for any share as determined from time to time by reference to a particular Valuation Point. The Net Asset Value per share of the Company is currently calculated each Dealing Day at 12:00 noon.

- 20.2 The ACD may at any time during a business day carry out an additional valuation if the ACD considers it desirable to do so.

21 **Calculation of the Net Asset Value**

- 21.1 The value of the Scheme Property of the Company shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

- 21.2 All the Scheme Property (including receivables) of the Company is to be included, subject to the following provisions.

- 21.3 Scheme Property which is not cash (or other assets dealt with in Section 21.4) or a contingent liability transaction shall be valued as follows:

- 21.3.1 shares in a collective investment scheme:

- 21.3.1.1 if a single price for buying and selling shares is quoted, at the most recent such price; or

- 21.3.1.2 if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

- 21.3.1.3 if, in the opinion of the ACD, the price obtained is unreliable, or if no recent trade price is available or no price exists, at a price which in the opinion of the ACD is fair and reasonable;
 - 21.3.2 any other transferable security:
 - 21.3.2.1 if a single price for buying and selling the security is quoted, at that price; or
 - 21.3.2.2 if separate buying and selling prices are quoted, the average of those two prices; or
 - 21.3.2.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which in the opinion of the ACD reflects a fair and reasonable price for that investment;
 - 21.3.3 property other than that described in Sections 21.3.1 and 21.3.2 above at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- 21.4 Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 21.5 Property which is a contingent liability transaction shall be treated as follows:
 - 21.5.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), the amount of the net valuation of premium receivable shall be deducted.
 - 21.5.2 if it is an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
 - 21.5.3 if the property is an off-exchange derivative, it will be included at a valuation method agreed between the ACD and Depositary;
 - 21.5.4 if it is any other form of contingent liability transaction, it will be included at the net value of margin on closing out (whether as a positive or negative value).
- 21.6 In determining the value of the Scheme Property, all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 21.7 Subject to Sections 21.8 and 21.9 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
- 21.8 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 21.7.

- 21.9 All agreements are to be included under Section 21.7 which are, or ought reasonably to have been, known to the person valuing the property.
- 21.10 An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax will be deducted.
- 21.11 An estimated amount for any liabilities payable out of the Scheme Property and any tax thereon treating periodic items as accruing from day to day will be deducted.
- 21.12 The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.
- 21.13 An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.
- 21.14 Any other credits or amounts due to be paid into the Scheme Property will be added.
- 21.15 A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.
- 21.16 Currency or values in currencies other than the base currency shall be converted at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholder or potential shareholders.
- 21.17 The total amount of any cost determined to be, but not yet, amortised relating to the authorisation and incorporation of the Company (or a Sub-fund, as the case may be) and of its initial offer or issue of shares will be added.

22 **Price per Share in the Company and each Class**

The price per share at which shares are sold or redeemed is the Net Asset Value of a share; preliminary charges and redemption charges may be added as described in Sections 14.1 and 14.2 above. In addition, there may, for both purchases and sales, be a dilution levy, as described in Section 15 above.

23 **Pricing Basis**

The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation point after the sale or redemption is agreed. Shares in the Company are single priced.

The ACD will make use of the revised 'delivery versus payment' (DvP) exemption as set out in the FCA Rules, which provides for a one business day window during which money held for the purposes of settling a transaction in Shares is not treated as 'client money'. Specifically, under the DvP exemption, money received by the ACD from an investor, or money due to be paid to an investor by the ACD, need not be treated as client money if: (i) the ACD receives the money from an investor for the subscription of Shares and the money is passed to the Depositary for the purpose of creating Shares in a Sub-Fund within one business day of receipt of money from the investor; or (ii) the ACD holds the

money in the course of redeeming Shares provided that the proceeds of that redemption are paid to an investor within one business day of receipt from the Depositary

24 **Publication of Prices**

The prices of all Shares are published on the website of the ACD at www.valu-trac.com. The price of Shares may also be obtained by calling 01343 880 344 during the ACD's normal business hours. As the ACD deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can currently deal.

25 **Risk Factors**

Potential investors should consider the following risk factors before investing in the Company (or in the case of specific risks applying to specific sub-funds, in those sub-funds).

25.1 **General Risks**

The price of shares of the Sub-funds 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 a Sub-fund will actually be achieved. 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.

The following risk factors apply to each sub-fund:

25.2 **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.

25.3 **Warrants Risk**

Where investments are in warrants, the price per share of the Sub-fund may fluctuate more than if the Sub-fund was invested in the underlying securities because of the greater volatility of the warrant price.

25.4 **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.

25.5 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.

25.6 Collective Investment Schemes Risk

The Sub-fund 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 Sub-fund. 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 Sub-fund's valuation.

25.7 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.

25.8 Futures and Options Risk

The Sub-fund may use, under certain conditions, options and futures on indices and interest rates, for the purposes of efficient portfolio management. Also, the Sub-fund 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.

25.9 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 Sub-funds 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 ACD 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.

25.10 **Risk to Capital**

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

25.11 **Country Concentration Risk**

If the Sub-fund invests in essentially only one country it will have greater exposure to market, political, legal, economic and social risks of that country than if it diversifies country risk across a number of countries. There is a risk that a particular country may impose foreign exchange and/or conversion controls or regulate in such a way as to disrupt the way the markets in that country operate. The consequences of these actions, and others such as confiscation of assets, could be to hinder the normal operation of the Sub-fund with regard to the purchase and sale of investments and possibly the ability to meet redemptions. Dealing in the Sub-fund may be suspended and investors may not be able to acquire or redeem shares in the Sub-fund. These and other actions could also adversely affect the ability to price investments in the Sub-fund which could affect the Net Asset Value of the Sub-fund in a material way. However, diversification across a number of countries could introduce other risks such as currency risk. In certain countries, and for certain types of investments, transaction costs are higher and liquidity is lower than elsewhere.

25.12 **Liquidity Risk**

In normal market conditions a Fund's assets comprise mainly realisable investments which can be readily sold. A Fund's main liability is the redemption of any shares that investors wish to sell. In general the Fund 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 sub-fund. If there were significant requests for redemption of shares in the sub-fund at a time when a large proportion of the sub-fund's assets was invested in illiquid investments, then the sub-fund's ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the sub-fund.

25.13 **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 the 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.

25.14 **Settlement Risk**

All security investments are transacted through brokers who have been approved by the ACD 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 Sub-fund, 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 Sub-fund 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 Sub-fund meets its settlement obligations but the counterparty fails before meeting its obligations.

25.15 **Custody Risk**

Assets of the Sub-fund are safe kept by the Custodian and investors are exposed to the risk of the Custodian not being able to fully meet its obligation to reconstitute in a short time frame all of the assets of the Sub-fund in the case of bankruptcy of the Custodian. Securities of the Sub-fund will normally be identified in the Custodian's books as belonging to the Sub-fund 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 Sub-fund 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. A Sub-fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Sub-fund 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.

25.16 **Tax Risk**

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

25.17 **Inflation Risk**

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

25.18 **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.

25.19 **Risk associated with the UK leaving the European Union ("Brexit")**

In a referendum held on 23 June 2016, the UK voted to leave the European Union (informally known as "Brexit"). The formal process of implementing this decision exists in Article 50 of the Lisbon Treaty.

The political, economic and legal consequences of the referendum vote are not yet known. It is possible investments in the UK may be more difficult to value, to assess for suitability or risk, harder to buy or sell or subject to greater or more frequent rises and falls in value.

In the longer term, there is likely to be a period of uncertainty as the UK seeks to negotiate its exit from the European Union. The UK's laws and regulations concerning funds may in future diverge from those of the European Union. This may lead to changes in the operation of the Company or the rights of investors or the territories in which the Shares of the Company may be promoted and sold.

25.20 **Market Risk**

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

26 **Risk Management**

Upon request to the ACD a shareholder can receive information relating to:

26.1 the quantitative limits applying in the risk management of the Company;

26.2 the methods used in relation to 26.1; and

26.3 any recent developments of the risk and yields of the main categories of investment in the Company.

27 **Liabilities of the Company**

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after paying the purchase price of shares.

28 **Historical Performance Data**

Historical performance data for the Company, expressed as discrete annual returns in percentage terms from 31 December following launch to 31 December 2011, is set out in the bar chart in Appendix 3. **Past performance should not be seen as an indication of future performance.**

29 **Fees and Expenses**

29.1 **General**

29.1.1 The Company may pay out of the property of a Sub-fund charges and expenses incurred by the Sub-fund, which will include the following expenses:

- 29.1.1.1 the fees and expenses payable to the ACD, and to the Depositary;
- 29.1.1.2 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 Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 29.1.1.3 fees and expenses in respect of establishing and maintaining the register of shareholders and any sub-register of shareholders;
- 29.1.1.4 any costs incurred in or about the listing of shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of shares;
- 29.1.1.5 any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;
- 29.1.1.6 any fees, expenses or disbursements of any legal or other professional adviser of the Company;
- 29.1.1.7 any costs incurred in taking out and maintaining any insurance policy in relation to the Company;
- 29.1.1.8 any costs incurred in modifying the Instrument of Incorporation , the Prospectus and the Key Investor Information Document, including costs incurred in respect of meetings of holders convened for the purpose of approving such modifications;
- 29.1.1.9 any costs incurred in respect of meetings of shareholders convened for any purpose including those convened on a requisition by shareholders not including the ACD or an associate of the ACD;
- 29.1.1.10 liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Company in consideration for the issue of shares as more fully detailed in the FCA Regulations;
- 29.1.1.11 costs incurred in calculating the performance of the Fund against benchmark;
- 29.1.1.12 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- 29.1.1.13 taxation and duties payable in respect of the property of the Sub-fund or the issue or redemption of shares;
- 29.1.1.14 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;

- 29.1.1.15 any costs arising in connection with the publication and the despatch of the price of shares;
 - 29.1.1.16 the fees of the FCA, in accordance with the Fees Manual, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which shares in the Company are or may be marketed;
 - 29.1.1.17 such other expenses as the ACD resolves are properly payable out of the Sub-fund's property;
 - 29.1.1.18 the Depositary's expenses, as detailed in Section 29 below;
 - 29.1.1.19 any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company and any expenses incurred in distributing information regarding the prices of shares to shareholders ; and
 - 29.1.1.20 any payments otherwise due by virtue of the FCA Regulations.
- 29.1.2 Value Added Tax is payable on these charges where appropriate.
- 29.1.3 Expenses are allocated between income and capital in accordance with the FCA Regulations and the OEIC Regulations. However, the approach for a given Sub-fund (as agreed by the ACD and Depositary) is set out in Appendix 1. 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 FCA Regulations and the OEIC Regulations. This may result in capital erosion or constrain capital growth. **If deductions are made from capital, this can result in capital erosion and constrain capital growth.**
- 29.1.4 Assets of, or costs, charges and expenses payable out of, the Scheme Property which are not attributable to any particular Sub-fund will, subject to applicable law, be allocated among all Sub-funds pro rata according to the Net Asset Value attributable to each Sub-fund.

30 Charges Payable to the ACD

- 30.1 In payment for carrying out its duties and responsibilities the ACD is entitled to take out of the Company an annual management charge.
- 30.2 The annual management charge is based on the month end valuation from the previous month, accrues daily and is payable monthly in arrears on the last business day of each month. The current management charges for each Sub-fund are set out in Appendix 1.
- 30.3 The ACD is also entitled to reimbursement of all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including stamp duty, stamp duty reserve tax on transactions in shares and expenses incurred in effecting regulatory changes to the Company.

- 30.4 At present the ACD's annual management charge is allocated as shown in Appendix 1.
- 30.5 The ACD may not introduce a new category of remuneration for its services unless the introduction has been approved by an extraordinary resolution of shareholders in the Company.
- 30.6 The ACD may not increase the current rate or amount of its remuneration payable out of the Scheme Property of the Company or the preliminary charge unless, not less than 60 days before the introduction or increase, the ACD gives notice in writing of the introduction or increase and the date of its commencement to all shareholders and has revised and made available the Prospectus to reflect the introduction or new rate and the date of its commencement.

31 **Investment Adviser's Fee**

The ACD is currently the Investment Adviser and its fees and expenses are provided for under clauses 29 and 30.

32 **Depositary's Fee**

- 32.1 The Depositary receives for its own account a periodic fee which will accrue and is 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 Company 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 Company. The rate of the periodic fee shall be as agreed between the ACD and the Depositary from time to time and is currently 5bps per annum plus VAT, subject to a minimum of £15,000 (plus VAT) per sub-fund.
- 32.2 These rates can be varied from time to time in accordance with the OEIC Regulations.
- 32.3 In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the Scheme Property as follows:

<i>Item</i>	<i>Range</i>
Custody charges	0.0% to 0.12%
Transaction charges	£0 to £40 per transaction

- 32.4 Transaction and custody 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 Depositary and the

ACD. Custody charges accrue, and are payable as agreed from time to time by the ACD, the Depositary and the Custodian.

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

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

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

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

32.9 Any of the Depositary's fees, charges and expenses described above may be payable to any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the FCA Regulations by the Depositary.

33 Shareholder Meetings and Voting Rights

33.1 Annual General Meeting

The Company will not hold annual general meetings.

33.2 Requisitions of Meetings

33.2.1 The ACD may requisition a general meeting at any time.

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

33.3 Notice of Quorum

Shareholders will receive at least 14 days notice of a shareholders' meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two shareholders, present in person or by proxy. The quorum for an Adjourned Meeting is also two shareholders present in person or by proxy, however if a quorum is not present after a

reasonable time from the time appointed for the meeting then one person entitled to be counted in a quorum shall be a quorum. Notices of Meetings and Adjourned Meetings will be sent to shareholders at their registered addresses.

33.4 **Voting Rights**

- 33.4.1 At a meeting of shareholders, on a show of hands every shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.
- 33.4.2 On a poll vote, a shareholder may vote either in person or by proxy. The voting rights attaching to each share are such proportion of the voting rights attached to all the shares in issue that the price of the share bears to the aggregate price(s) of all the shares in issue at the date seven days before the notice of meeting is deemed to have been served.
- 33.4.3 A shareholder 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.
- 33.4.4 Except where the FCA Regulations or the Instrument of Incorporation of the Company requires an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution will be passed by a simple majority of the votes validly cast for and against the resolution.
- 33.4.5 The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the FCA Rules) of the ACD is entitled to vote at any meeting of the Company except in respect of shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions. Where every shareholder within the Company is prohibited under Rule 4.4.8R (4) of the FCA Rules from voting, a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 50% or more, or for an extraordinary resolution, 75% or more, of the Shares of the Company in issue.
- 33.4.6 “Shareholders” in this context means shareholders on the date seven days before the notice of the relevant meeting was deemed to have been served but excludes holders who are known to the ACD not to be shareholders at the time of the meeting.

34 **Class Meetings**

The above provisions, unless the context otherwise requires, apply to Share Class meetings as they apply to general meetings of shareholders.

35 **Taxation**

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice, all of which are subject to change. It is not intended to be exhaustive and there may be other tax considerations which may be relevant to prospective investors.

It summarises the tax position of the Company and of investors who are resident, and in the case of individuals, ordinarily resident in the United Kingdom for tax purposes and hold Shares as investments. The regime for taxation of income and capital gains received by investors depends on the tax law applicable to their particular circumstances and/or the place where the Scheme Property is invested.

Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, are recommended to take professional advice.

35.1

Taxation of the Company

Each Sub-fund will be treated as a separate entity for United Kingdom tax purposes.

Capital Gains

The Company is generally exempt from United Kingdom tax on capital gains realised on the disposal of investments. However, in some cases, gains realised on holdings in non-reporting offshore funds will incur a tax charge on disposal.

Income

Subject to certain exemptions, the Company will be subject to corporation tax at the lower rate of income tax (currently 20%) on its income from investments after relief for allowable expenses.

The Company is not subject to tax on dividends and similar distributions from UK resident companies (its “franked investment income”). To the extent that a Sub-fund receives income from, or realises gains on investments issued in, foreign countries, it may be subject to withholding tax or other taxation in those jurisdictions and to UK corporation tax on the income. Where a Sub-fund suffers foreign tax on income received, this will generally be a cost to the Sub-fund but in some cases may be deducted from the UK tax payable on that income.

The Company will make dividend distributions except where more than a certain percentage of its property has been invested throughout the distribution period in interest-paying investments, in which case it will make interest distributions..

35.2

Taxation of the Shareholders

Income

UK resident and domiciled Shareholders are taxed on the full net income earned for them, whether distributed or accumulated. Shareholders will be sent tax vouchers stating the make up of their distributions showing in each case their taxable income and the tax which has been applied. Individuals liable to income tax at the basic rate will have no further liability to tax. Higher and additional rate taxpayers will have to pay an additional amount of income tax on the amount received. Certain categories of Shareholder may be able to reclaim some tax credits.

Dividend distributions will be streamed into franked and unfranked income for the Shareholders chargeable to UK corporation tax, according to the underlying gross income of the Company. The unfranked element will be treated as an

annual payment which has been subject to income tax at a rate of 20%, and the Shareholder may therefore be liable to further tax.

Capital Gains

Shareholders may be liable to capital gains tax on gains arising from the redemption, transfer or other disposal of Shares. The rate of tax, and available reliefs, will be as applicable from time to time.

An exchange of Shares in one Sub-fund of the Company for Shares in another Sub-fund will normally be treated as a disposal for this purpose but exchanges of Shares between classes within a Sub-fund are generally not.

Shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares in their taxable profits.

Inheritance Tax

Shareholdings of an individual shareholder may become subject to an inheritance tax liability under the following circumstances. During an individual's lifetime, any transfer of shareholdings at less than market value may be liable. Additionally, transfer following the death of the individual may also be liable. The charge to inheritance tax is not restricted to UK individuals. Reliefs and exemptions may apply to reduce or extinguish any liability to inheritance tax. Investors should seek professional advice if they are unclear on the inheritance tax consequences of investing in the Company

35.3 Stamp Duty Reserve Tax (SDRT)

The charging of SDRT (at a rate of 0.5%) on the redemption of shares has now been abolished except from in relation to non-pro rata in specie redemptions.

The current policy is that all SDRT costs (if applicable) will be paid out of the Scheme Property of the relevant Sub-Fund and charged to capital and that SDRT will not be recovered from individual Shareholders. However, the ACD reserves the right to require individual Shareholders to pay SDRT whenever it considers that the circumstances have arisen which make such imposition fair to all Shareholders or potential Shareholders.

35.4 Reporting of Tax Information

The Company and the ACD are subject to obligations which require them to provide certain information to relevant tax authorities about the Company, investors and payments made to them.

The International Tax Compliance Regulations, SI 2015/878 (which give effect in the UK to amendments made to the EU Directive on Administrative Cooperation, Directive 2011/16/EU, which replace the reporting obligations under the Taxation of Savings Income Directive 2003/48/EC) may require the disclosure to HMRC of details of payments of interest and other income (which may include distributions on redemption payments by collective investment funds) to shareholders who are individuals or residual entities, and HMRC will pass such details to the EU member state where the shareholder resides.

The International Tax Compliance (Crown Dependencies and Gibraltar) Regulations 2014 imposed a separate reporting regime for investors from several of the UK's overseas territories: Jersey, Guernsey, Isle of Man and Gibraltar.

The International Tax Compliance Regulations 2015 give effect to reporting obligations under the OECD's Common Reporting Standard, which replaced the reporting regime for investors from the UK's overseas territories with effect from 1 January 2016 and extends it to investors from other jurisdictions.

The International Tax Compliance Regulations 2015 also give effect to an intergovernmental agreement between the US and the United Kingdom in relation to the US Foreign Account Tax Compliance Act ("FATCA"). FATCA is designed to help the Internal Revenue Service (the "IRS") combat US tax evasion. It requires financial institutions, such as the Fund, 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 a Fund to US withholding taxes on certain US-sourced income and gains.

Provided the Sub-fund complies with its obligations under the International Tax Compliance Regulations 2015 to identify and report US taxpayer information directly to HMRC, it should be deemed compliant with FATCA. HMRC will share such information with the IRS.

Shareholders may be asked to provide additional information to the ACD to enable the Fund to satisfy these obligations. Failure to provide requested information may subject a Shareholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in a Sub-fund.

To the extent a Sub-fund is subject to withholding tax as a result of:

- a Shareholder failing (or delaying) to provide relevant information to the ACD;
- a Shareholder failing (or delaying) to enter into a direct agreement with the IRS;
- the Sub-fund becoming liable under FATCA or any legislation or regulation to account for tax in any jurisdiction in the event that a Shareholder or beneficial owner of a Share receives a distribution, payment or redemption, in respect of their Shares or disposes (or be deemed to have disposed) of part or all of their Shares in any way;

(each a "Chargeable Event"),

the ACD may take any action in relation to a Shareholder's or beneficial owner's holding to ensure that such withholding is economically borne by the relevant Shareholder or beneficial owner, and/or the ACD and/or its delegate or agent shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax. The action by the ACD may also include, but is not limited to, removal of a non-compliant Shareholder from the Sub-fund or the ACD or its delegates or agents redeeming or cancelling such number of Shares held by the Shareholder or such beneficial owner as are required to meet the amount of tax. Neither the ACD nor its delegate or agent, will be obliged to

make any additional payments to the Shareholder or beneficial owner in respect of such withholding or deduction.

Each investor agrees to indemnify the Company, each Sub-fund and/or the ACD and its delegates/agents for any loss caused by such investor arising to the Company, a Fund and/or ACD and/or its delegates/agents by reason of them becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event.

The above is based on the ACD's interpretation of the current tax regime applicable to individual UK resident Shareholders, which is subject to change.

No liability is accepted by the ACD for such interpretation and all Shareholders should seek independent legal and taxation advice.

36 **Income Equalisation**

- 36.1 Income equalisation, as explained below, may apply in relation to the Company, as detailed in Appendix 1.
- 36.2 Part of the purchase price of a share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a shareholder with the first allocation of income in respect of a share issued during an accounting period.
- 36.3 The amount of income equalisation is either (i) the actual amount of income included in the issue price of that share or (ii) is calculated by dividing the aggregate of the amounts of income included in the price of shares issued or sold to shareholders in an annual or interim accounting period by the number of those shares and applying the resultant average to each of the shares in question.
- 36.4 The ACD currently uses the method outlined in (ii) in paragraph 36.3 to apply income equalisation.

37 **Winding up of the Company**

- 37.1.1 The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the FCA Regulations. A Sub-fund may only be wound up under the FCA Rules.
- 37.1.2 Where the Company or a Sub-fund is to be wound up under the FCA Regulations, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so. The Company may not be wound up under the FCA Regulations if there is a vacancy in the position of ACD at the relevant time.
- 37.1.3 The Company may be wound up under the FCA Regulations if:

- 37.1.3.1 an extraordinary resolution to that effect is passed by shareholders; or
 - 37.1.3.2 the period (if any) fixed for the duration of the Company by the Instrument of Incorporation expires, or an event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up (for example, if the share capital of the Company is below its prescribed minimum); or
 - 37.1.3.3 on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company;
 - 37.1.3.4 on the effective date of a duly approved scheme of arrangement which is to result in the Company or Sub-Fund ceasing to hold any Scheme Property; or
 - 37.1.3.5 on the date on which all of the Sub-funds of the Company fall within 37.1.3.4 or have otherwise ceased to hold any Scheme Property, notwithstanding that the Company may have assets and liabilities that are not attributable to any particular Sub-fund
- 37.1.4 On the occurrence of any of the above:
- 37.1.4.1 The parts of the FCA Regulations and the Instrument of Incorporation relating to Pricing and Dealing and Investment and Borrowing will cease to apply to the Company;
 - 37.1.4.2 The Company will cease to issue and cancel shares in the Company and the ACD shall cease to sell or redeem shares or arrange for the Company to issue or cancel them for the Company;
 - 37.1.4.3 No transfer of a share shall be registered and no other change to the register shall be made without the sanction of the ACD;
 - 37.1.4.4 Where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;
 - 37.1.4.5 The corporate status and powers of the Company and, subject to the provisions of paragraphs 37.1.4.1 and 37.1.4.4 above, the powers of the ACD shall remain until the Company is dissolved.
- 37.1.5 The ACD shall, as soon as practicable after the Company or a Sub-fund falls to be wound up, realise the assets and meet the liabilities of the Company or a Sub-fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds remaining (if any) to shareholders proportionately to their rights to participate in the Scheme Property of the Company. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company to be realised, the ACD shall arrange for the Depositary to also make a final distribution to

shareholders (if any Scheme Property remains to be distributed) on or prior to the date on which the final account is sent to shareholders of any balance remaining in proportion to their holdings in the Company.

- 37.1.6 As soon as reasonably practicable after completion of the winding up of the Company or a Sub-fund, the Depositary shall notify the FCA.
- 37.1.7 On completion of a winding up of the Company, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company, will be paid into court within one month of dissolution.
- 37.1.8 Following the completion of the winding up of the Company, the ACD shall notify the Registrar of Companies and shall notify the FCA that it has done so.
- 37.1.9 Following the completion of the winding up of the Company, the ACD must prepare a final account showing how the winding up took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA, to each shareholder and, in the case of the winding up of the Company, to the Registrar of Companies within four months of the termination of the winding up.
- 37.1.10 As the Company is an umbrella company with each sub-fund having segregated liability, any liabilities attributable or allocated to a particular Sub-fund under the FCA Rules shall be met out of the Scheme Property attributable or allocated to that Sub-fund.

38 General Information

38.1 Accounting Periods

The annual accounting period of the Company ends each year on 31 January (the accounting reference date). The interim accounting periods of the Company end at the end of each calendar month.

38.2 Income Allocations

- 38.2.1 Allocations of income are made in respect of the income available for allocation in each accounting period.
- 38.2.2 Distributions of income in respect of Income Shares for each sub-fund are paid by BACS, telegraphic transfer or CHAPS on or before the annual income allocation date of 31 March and on or before the interim allocation dates (being the end of each calendar month)(in respect of the interim accounting period ending two months prior).
- 38.2.3 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 Company.
- 38.2.4 The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the Company in respect of that period, and deducting the

charges and expenses paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditors. The ACD may smooth the monthly distributions paid during the year. This will be achieved by carrying over the income received in a period which has income above the average income expectations in order to supplement the income received in a later period which has a lower level of income. There is, however, no guarantee that a consistent level of income will be maintained throughout the year..

Income will be distributed as a dividend payment where the Company is deemed to be an Equity Company or as an interest payment where the Company is deemed to be a Bond Company over the relevant accounting period. The treatment of income anticipated by the ACD is given in Appendix 1, although Shareholders 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 fund 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 Shareholders when the income is allocated.

38.3 **Annual Reports**

Annual reports (both long and short) of the Company will be published within four months of each annual accounting period and half-yearly reports (both long and short) will be published within two months of each interim accounting period. Shareholders will be sent the short report for the Company although the long report will be available upon request.

38.4 **Documents of the Company**

- 38.4.1 The following documents may be inspected free of charge between 9.00 a.m. and 5.00 p.m. every business day at the offices of the ACD at Orton, Moray, IV32 7QE.
 - 38.4.1.1 the most recent annual and half-yearly long and short reports of the Company;
 - 38.4.1.2 the Prospectus; and
 - 38.4.1.3 the Instrument of Incorporation (and any amending Instrument of Incorporation).
- 38.4.2 The ACD may make a charge at its discretion for copies of the Instrument of incorporation.
- 38.4.3 Copy of the ACD agreement or any contract of service between the Company and its directors can be provided free or charge on request.

38.5 **Notices**

Notices and Documents will be sent to the shareholder's registered address.

38.6 **Complaints**

Complaints concerning the operation or marketing of the Company should be referred to the compliance officer of the ACD at Orton, Moray, IV32 7QE, in the first instance. If the complaint is not dealt with satisfactorily then it can be made direct to The Financial Ombudsman Service at Exchange Tower, London E14 9SR, telephone 0800 023 4567. A copy of the ACD's complaints handling procedure is available on request.

APPENDIX 1

Investment Objective, Policy and Other Details of the Company

Investment of the assets of each Sub-fund must comply with the FCA Regulations and its own investment objective and policy. Details of the investment objective and policy of each Sub-fund are set out overleaf together with other information including available Share Classes, charges, minimum investment levels and distribution dates. A detailed statement of the investment and borrowing restrictions applicable to the Company as a whole is contained in Appendix 2. Lists of the eligible securities and derivatives markets on which each Sub-fund may invest are contained in Appendix 4.

The Sub-fund is available to a wide range of investors seeking access to a portfolio managed in accordance with a specific investment objective and policy.

Different Share Classes may be issued in respect of the Sub-fund.

Class A Shares are designed for retail investors who are advised by an IFA. Class B Shares are designed for institutional investors and private client brokers. Class X shares are designed for retail investors who are investing direct.

Whether an investment in the Sub-fund is appropriate for you will depend on your own requirements and attitude to risk. The Sub-fund is designed for investors who:

- want to maximise their overall investment returns over the medium to longer term through investing in securities listed on the UK stockmarket using the expertise of the ACD.
- can meet the minimum investment levels.
- are able to commit to a long term investment in the Sub-fund and take the risk of losing part or all of their investment capital.
- who understand and are willing to take the risks involved in investing in the Sub-fund (as detailed under “Risk Factors”).

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

VT MUNRO SMART-BETA UK FUND

Investment Objective and Policy

The objective of the VT Munro Smart-Beta UK Fund (the “**Sub-fund**”) is to maximize the overall return by seeking to replicate the performance of the Freedom Smart-Beta UK Dividend Index.¹

The Sub-fund will invest mainly in UK securities listed on the London Stock Exchange. The Sub-fund will be constructed on the basis of the underlying fundamental financial attributes of the companies listed on the London Stock Exchange rather on their market capitalisation. The weight of each company in the Sub-fund will be determined by the proportion that its forecast total dividend will be expected to make of the total income of all the companies held in the Sub-fund.

The Sub-fund may also invest in other transferable securities, bonds, collective investment schemes, money market instruments, cash and deposits.

It is the ACD’s intention that derivatives be used for hedging purposes using efficient portfolio management style techniques.

The ACD does not intend to have an interest in any immovable property or tangible movable property.

The Company will be managed in a manner that maintains eligibility for the stocks and shares component of a personal equity plan or individual savings account.

Classes of shares available	Net Income Shares and Net Accumulation Shares each in A Class, B Class or X Class
Currency of denomination	Pounds Sterling
Minimum initial investment	A Class - £1,000 B Class - £100,000 X Class - £250
Minimum subsequent investment	A Class and B Class - £1,000 X Class - £100
Minimum withdrawal	None
Minimum holding	A Class - £1,000 B Class - £100,000 X Class - £250
Depositary fee	The Depositary is currently entitled to receive from the Fund: (i) an annual periodic of 0.05% of the Net Asset Value of the Sub-fund per annum plus VAT subject to a minimum of £15,000; and

¹ The Freedom Smart-Beta UK Dividend index is a Sterling based total return index, comprising approximately 300 of the largest dividend paying stocks (excluding Investment Trusts) that are quoted on the London Stock Exchange. While the full universe is initially determined by market capitalisation, the investible universe is reweighted based on expected dividend payout. The Sub-fund aims to replicate the performance of the Freedom Smart-Beta UK Dividend index but will not necessarily be invested in all the constituents.

	<p>(ii)certain transaction and custody charges as detailed in Section 32 of the Prospectus.</p> <p>Further information about the above fee and charges is set out in Section 32 of the Prospectus.</p>
ACD's preliminary charge	A Class and B Class - 5% X Class - nil
Annual management charge	A Class – 1.5% B Class – 1.25% X Class – 0.50%
Annual accounting date	31 January
Interim accounting dates	Last day of each month
Annual income allocation date	31 March
Interim income allocation dates	Last day of each month
Invest in any Securities Market of a Member State of the EU or states within the EEA on which securities are admitted to Official Listing	n/a
Invest in Eligible Markets	As listed in Appendices 4 and 5
Income Equalisation	Yes, averaged.
Charges taken from Income or Capital?	Capital The charges to capital may constrain capital growth.
Income to be distributed as a dividend or interest?	The Sub-fund will distribute income in the form of a dividend.

APPENDIX 2

1 Investment and Borrowing Powers of the Company

These restrictions apply to each Sub-fund of the Company.

1.1 Investment Restrictions

The property of each Sub-fund will be invested with the aim of achieving the investment objective of the Sub-fund but subject to the limits on investment set out in the FCA Regulations and the Sub-fund's investment policy. These limits are summarised below:

Generally each Sub-fund will invest in the instruments to which it is dedicated including approved securities which are transferable securities admitted to or dealt on a regulated market or a market in an EEA State which is regulated, operates regularly and is open to the public, units in collective investment schemes, warrants, money market instruments and deposits.

Derivatives and forward transactions may be used only for the purpose of efficient portfolio management (which includes hedging) not for the purpose of meeting the investment objective of any Sub-fund. The ACD does not anticipate such use of derivatives and forward transactions will have an adverse affect on the risk profile of any Sub-fund.

1.2 Eligible markets are regulated markets or markets established in an EEA State which are regulated, operate regularly and are open to the public; and markets which the ACD, after consultation with the Depositary, has decided are appropriate for the purpose of investment of or dealing in the property of each Sub-fund having regard to the relevant criteria in the FCA Regulations 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 each Sub-fund are set out in Appendices 4 and 5.

New eligible securities markets may be added to the existing list in accordance with the procedure for amending the prospectus set out in the FCA Regulations.

1.3 Transferable Securities

Up to 10% of the value of each Sub-fund may be invested in transferable securities which are not approved securities.

- Up to 5% of each Sub-fund may be invested in transferable securities (other than Government and public securities) and money market instruments issued by any one issuer. However, up to 10% in value of each Sub-fund may be invested in those securities and instruments (or certificates representing those securities) issued by the same issuer if the value of all such holdings combined does not exceed 40% of the value of the property of such Sub-fund. Up to 20% in value of the scheme property of each Sub-fund can consist of transferable securities or money market instruments issued by the same group (being companies included in the same group for the purposes of consolidated accounts as defined in

accordance with Directive 83/349/EC or in the same group in accordance with international accounting standards).

- More than 35% of the property of each Sub-fund may be invested in Government and public securities issued by or on behalf of or guaranteed by one 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; or by or on behalf of the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.

1.4

Collective Investment Schemes.

Each Sub-fund may invest in units of collective investment schemes provided that such schemes satisfy all of the following conditions, and further provided that no more than 10% of the value of each Sub-fund is invested in collective investment schemes.

The collective investment scheme must:

- (a) be a UCITS scheme; or
- (b) be recognised under the provisions of s.272 of the Financial Services and Markets Act 2000(individually recognised overseas schemes) that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
- (c) be a non-UCITS retail scheme (provided the requirements of article 19(1)(e) of the UCITS Directive are met); or
- (d) be authorised in another EEA State (provided the requirements of article 19(1)(e) of the UCITS Directive are met); or
- (e) the scheme is authorised by the competent authority of an OECD member country (other than another EEA state) which has:
 - (i) signed the IOSCO Multilateral Memorandum of Understanding; and
 - (ii) approved the scheme's management company, rules and depositary/custody arrangements, provided the requirements of Article 19(1)(e) of the UCITS Directive are met; and

- 1.4.1 the collective investment scheme must comply, where relevant, with the requirements of COLL in respect of investment in associated collective investment schemes and investment in other group schemes;
- 1.4.2 the collective investment scheme must have terms which prohibit more than 10% in value of the scheme's property being invested in collective investment schemes; and
- 1.4.3 where the collective investment scheme is an umbrella, the provisions in paragraph 1.4.1 and 1.4.2 apply to each sub-fund as if it were a separate collective investment scheme;
- 1.4.4 subject to COLL, each Sub-fund may invest in units of collective investment schemes operated by the ACD or an associate of the ACD.

- 1.4.5 If a substantial proportion of a Sub-fund's assets are invested in other collective investment schemes, the maximum level of management fees that may be charged to such Sub-fund and to the collective investment schemes in which it invests is 5%.

1.5 **Warrants and Nil and Partly Paid Securities**

Up to 5% in value of the scheme property of each Sub-fund may consist of warrants, provided that warrants may only be held if it is reasonably foreseeable that 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 FCA Regulations.

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 Company at any time when the payment is required without contravening the FCA Regulations.

A warrant that 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 of the Regulated Activities Order (Instruments giving entitlement to investments) may not be included in the scheme property unless it is listed on an eligible securities market.

1.6 **Money Market Instruments**

- 1.6.1 Up to 100% in value of the scheme property of each Sub-fund can consist of money market instruments, which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time provided the money market instrument is listed on or normally dealt on an eligible market; or is issued or guaranteed by one of the following: the government of the United Kingdom and Northern Ireland, the governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden and the governments of Australia, Canada, Japan, New Zealand, Norway, Switzerland and the United States of America; or issued by a body, any securities of which are dealt in on an eligible market; or issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law.
- 1.6.2 Notwithstanding the above up to 10% of the scheme property of each Sub-fund may be invested in money market instruments which do not meet these criteria.

1.7 **Deposits**

Can be invested in with no upper limit, but only up to 20% in value of the scheme property of each Sub-fund can consist of deposits with a single body. Sub-funds 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.

Derivatives and Forward Transactions

Derivatives and forward transactions may be used for hedging. The ACD may make use of a variety of derivatives and forward transactions in accordance with the FCA Regulations. **Where derivatives and transactions are used for hedging, or in accordance with efficient portfolio management² techniques, then this will not compromise the risk profile of the Sub-funds. Use of derivatives and forward transactions will not contravene any relevant investment objectives or limits.**

- 1.8.1 Except as set out in 1.7.4 below there is no upper limit on the use of transactions in derivatives or forward transaction for the Sub-funds but they must fall under 1.7.2 and 1.7.3.

- 1.8.2 A transaction in a derivative or forward transaction must:

be an approved derivative; or

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 FCA Regulations, must be on approved terms as to valuation and close out and must be capable of valuation.

have the underlying consisting of any or all of the following to which the Sub-fund is dedicated:

transferable securities;

² The Company may also utilise the Scheme Property to enter into transactions for the purposes of Efficient Portfolio Management ("EPM"). Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives e.g. to hedge against price or currency fluctuations, dealt with or traded on an eligible derivatives market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The ACD must take reasonable care to ensure that the transaction is economically appropriate to the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the generation of additional capital or income with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in the FCA Regulations. The exposure must be fully "covered" by cash and/or other property sufficient to meet any obligation to pay or deliver that could arise.

Permitted transactions are those that the Company reasonably regards as economically appropriate to EPM, that is:

- (i) Transactions undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates where the ACD reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or
- (ii) Transactions for the generation of additional capital growth or income for the Company by taking advantage of gains which the ACD reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
 - (a) pricing imperfections in the market as regards the property which the Company holds or may hold; or
 - (b) receiving a premium for the writing of a covered call option or a cash covered put option on property of the Company which the Company is willing to buy or sell at the exercise price, or
 - (c) stock lending arrangements.

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

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

permitted money market instruments;
permitted deposits;
permitted derivatives;
permitted collective investment scheme units;
financial indices;
interest rates;
foreign exchange rates; and
currencies.

be effected on or under the rules of an eligible derivatives market, it must not cause the Sub-funds to diverge from their 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.

Use of derivatives and forward transactions must be supported by a risk management process maintained by the ACD which should take account of the investment objective and policy of the Sub-funds.

- 1.8.3 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 1.7.3.1.

Exposure is covered if adequate cover from within the scheme property for the Sub-fund 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.

Cash not yet received into the scheme property of the Sub-fund, but due to be received within one month, is available as cover for the purposes of 1.7.3.1.

The exposure relating to derivatives held in the Sub-fund may not exceed the net value of its scheme property.

- 1.8.4 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the scheme property of a Sub-fund, this limit being raised to 10% where the counterparty is an approved bank.

1.9 **Combinations of Investments**

- 1.9.1 In applying the limits in 1.3, 1.7 and 1.7.4 not more than 20% in value of the scheme property of each Sub-fund is to consist of any combination of two or more of the following: (a) transferable securities or money market instruments issued by; or (b) deposits made with; or (c) exposures from OTC derivative transactions made with; a single body.

1.10 **Concentration**

- 1.10.1 Each Sub-fund must not hold more than:

- 10% of the transferable securities issued by a body corporate which do not carry rights to vote on any matter at a general meeting of that body; or
- 10% of the debt securities issued by any one issuer; or
- 10% of the money market instruments issued by a single body; or
- 25% of the units in a collective investment scheme.

1.10.2 The Sub-funds may only acquire transferable securities issued by a body corporate carrying rights to vote at a general meeting of that body provided that before the acquisition the aggregate number of such securities held by the Sub-funds do not allow them to exercise 20% or more of the votes cast at a general meeting of that body and the acquisition will not give the Sub-funds such power.

1.11 **General**

1.11.1 Underwriting and sub-underwriting contracts and placings may not be entered into for the account of the Sub-funds.

1.11.2 Cash or near cash must not be retained in the scheme property of the Sub-funds except in order to enable the pursuit of a Sub-fund's investment objective; or for redemption of shares in the Sub-fund; or efficient management of the Sub-fund in accordance with its investment objective or for a purpose which may reasonably be regarded as ancillary to the investment objective of the Sub-fund.

Borrowing Powers

1.12 Each Sub-fund may, subject to the FCA Regulations, borrow money from an eligible institution or an approved bank for the use of a Sub-fund on the terms that the borrowing is to be repayable out of the scheme property.

1.12.1 Borrowing must be on a temporary basis and must not be persistent and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

1.12.2 The ACD must ensure that borrowing does not, on any business day, exceed 10% of the value of the scheme property of the Sub-fund.

1.13 These borrowing restrictions do not apply to "back to back" borrowing to be cover for transactions in derivatives and forward transactions.

Stock Lending

1.14 The Depositary, at the request of the ACD, may enter into stock lending arrangements of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C) when it reasonably appears to the ACD to be appropriate to do so with a view to generating additional income for the Sub-funds with an acceptable degree of risk, but only if:

- i) all the terms of the agreement under which securities are to be reacquired by the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice,
- ii) the counterparty is an authorised person or a person authorised by a Home State regulator, and
- iii) collateral is obtained to secure the obligation of the counterparty under the terms of agreement.

Collateral must be acceptable to the Depositary, adequate and sufficiently immediate.

Collateral is adequate for the purposes of this paragraph 15 only if it is transferred to the Depositary or its agent, is at least equal in value to the value of the securities transferred by the Depositary, at the time of the transfer to the Trustee, and is in the form of one or more of cash, government and public securities, a certificate of deposit, a letter of credit or a readily realisable security.

Collateral is sufficiently immediate for the purposes of this paragraph 3 if it is transferred before or at the time of the transfer of the securities by the Depositary or the Depositary takes reasonable care to determine at that time that it will be transferred at the latest by the close of business on the day of the transfer.

The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary. In respect of collateral the validity of which is about to expire or has expired the Depositary may satisfy this duty by taking reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

For the purposes of pricing shares in each Sub-fund any agreement for the transfer at a future date of securities or collateral under this paragraph 3 may be regarded as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the relevant Sub-fund.

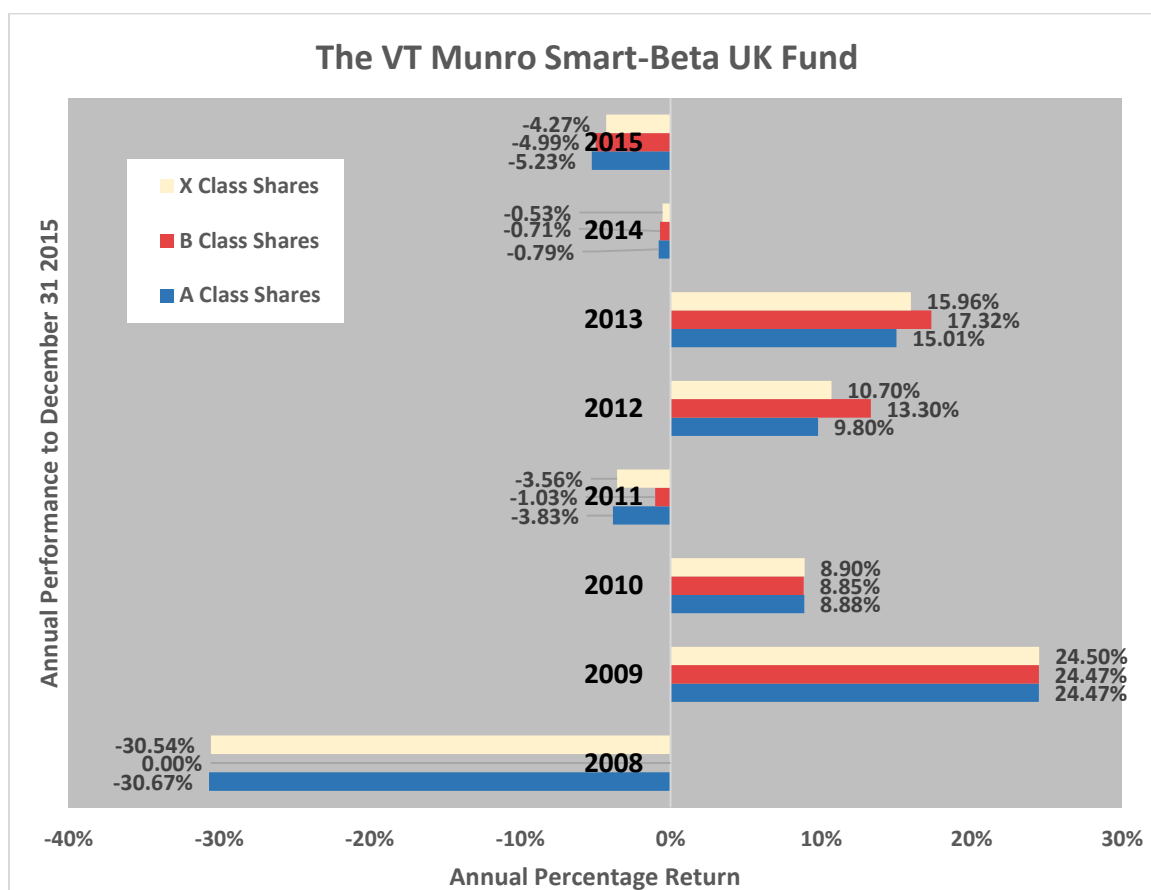
There is no limit to the value of the property of each Sub-fund which may be the subject of stock lending transactions.

APPENDIX 3

Historical Performance Data

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

DISCRETE PERFORMANCE RECORD



Performance is given from 31 December following launch to 31 December 2015.

Mid to Mid, net of interest and charges. Source: Smith & Williamson Fund Administration Limited (for period to December 2012) and Valu-Trac Investment Management Limited thereafter.

APPENDIX 4

Eligible Securities Markets

Each Sub-fund may deal through securities and derivatives markets which are regulated markets (as defined in the glossary to the FCA Handbook) or markets established in an EEA State which are regulated, operate regularly and are open to the public.

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

1	UK	Alternative Investment Market
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Eligible Derivatives Markets

1. NYSE Euronext LIFFE

APPENDIX 5

List of Sub-Custodians

as at the date of this Prospectus)

Austria	1.UniCredit Bank Austria AG 2.Citibank N.A. (Milan)
Belgium	Citibank Europe Plc
Bulgaria	Citibank Europe plc
Croatia	Privredna Banka Zagreb d.d.
Cyprus	BNP Paribas Securities Services,S.C.A Athens
Czech Republic	Citibank Europe Plc, Organizacni Slozka
Denmark	Skandinaviska Enskilda Banken, AB (Publ)
Estonia	Seb Pank AS
Euro Markets	(1) Euroclear Bank (2) Clearstream Banking S.A
Finland	Skandinaviska Enskilda Banken AB, (Publ)
France	(1) BNP Paribas Securities Services S.C.A (2) Citibank Europe Plc
Germany	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Maim
Greece	BNP Paribas Securities Services, S.C.A Athens
Hungary	Citibank Europe plc. Hungarian Branch Office
Iceland	Landsbankinn hf
Ireland	The Bank of New York Mellon
Italy	Banca Intesa Sanpalo S.P.A
Latvia	AS SEB banka
Lithuania	AB SEB Bankas
Luxembourg	Euroclear Bank
Malta	The bank Of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
Netherlands	The Bank of New York Mellon SA/NV
Norway	Skandinaviska Enskilda Banken AB, (Publ)
Poland	ING Bank Slaski S.A Warsaw Stock Exchange
Portugal	Citibank Europe Plc
Romania	Citibank Europe Plc, Romania Branch
Slovak Republic	Citibank Europe pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d.
Spain	(1) Santander Investment S.A (2) Banco Bilbao Vizcaya Argentaria, S.A. (bonds)
Sweden	Skandinaviska Enskilda Banken AB, (Publ)
Switzerland	Credit Suisse AG
United	(1) The Bank of New York Mellon

Kingdom	(2) Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch
United States	(1) The Bank of New York mellon (2) HSBC Bank, USA, N.A

APPENDIX 6

Directory

The Company and Head Office

VT Munro Smart-Beta Fund
Level 13 Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Authorised Corporate Director, Administrator & Registrar

Registered Office:
Valu-Trac Investment Management Limited
Level 13 Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Correspondence Address:
Orton
Moray
IV32 7QE

Telephone Numbers: 01343 880 344

Depository

National Westminster Bank plc
Trustee & Depository Services
Registered Office:
National Westminster Bank plc
135 Bishopsgate
London
EC2M 3UR

Principal Place of Business:
Younger Building
1st Floor
3 Redheughs Avenue
Edinburgh
EH12 9RH

Auditors

FKF Accounting Limited
4th Floor Metropolitan House,
31-33 High Street
Inverness IV1 1HT

APPENDIX 7

LIST OF OTHER INTERESTS OF DIRECTORS OF THE ACD

Directors of the ACD and their Significant Business Activities Not Connected with the Business of the Company	
R Peter W Millar	Sole proprietor of Valu-Trac Research; sole proprietor of Orton Estate and Orton Farms; and Director of Spey Fishing Trust Ltd.
Anne Laing	None
Martin Henderson	None

APPENDIX 8

List of Authorised Funds that Valu-Trac Investment Management Limited as Authorised Fund Manager or Authorised Corporate Director for

Authorised collective investment schemes of which the ACD is the authorised corporate director		
Name	Place of registration	Registration number
Alligator Fund ICVC	England and Wales	IC000203
Moray Place Investment Company*	Scotland	IC000934
The Beagle Fund*	England and Wales	IC000789
The Mulben Investment Funds	England and Wales	IC000816
The Prestney Fund	England and Wales	IC000175
The Teal Fund	England and Wales	IC000257
The VT Cindabella Fund	England and Wales	IC001049
The VT Oxeye Funds**	England and Wales	IC001063
Valu-Trac Investment Funds ICVC	Scotland	IC000953
Valu-Trac Proprietary Funds ICVC*	Scotland	IC000986
VT Cape Wrath Focus Fund*	England and Wales	IC001061
VT Garraway Investment Funds ICVC	England and Wales	IC000935
VT GCP Funds ICVC	England and Wales	IC001055
VT Grosvenor Funds ICVC	England and Wales	IC001077
VT Halo Funds ICVC	England and Wales	IC001018
VT iFunds OEIC	England and Wales	IC000868
VT Kepler Funds ICVC	England and Wales	IC001001
VT Morningstar Informed Smartfund ICVC	England and Wales	IC001012
VT Odd Funds ICVC	England and Wales	IC001050
VT Odey Funds ICVC	England and Wales	IC001000
VT Price Value Partners Funds ICVC	England and Wales	IC001033
VT Rossie House Investment Management	England and Wales	IC000991

Funds ICVC*		
VT Sorbus Vector Funds ICVC	England and Wales	IC001059
VT Tcam Investment Funds	England and Wales	IC000052
VT Thistledown Smartfund ICVC	England and Wales	IC001011
VT Ursus Arctos Funds ICVC	Scotland	IC001004
VT Wellian Multi-Asset Funds ICVC	England and Wales	IC001043
VT Woodhill Investment Funds ICVC	England and Wales	IC001009

* denotes a Non-UCITS Retail Scheme

** denotes a Qualified Investor Scheme

Funds of which the ACD is investment manager
The Newmarket Africa Master Fund Limited (a fund registered in the Cayman Islands)
The Newmarket Africa Fund Limited (a fund registered in the Cayman Islands)