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

THE BEAGLE FUND

(An open-ended investment company with variable capital incorporated with limited liability registered in England and Wales under registered number IC000789)

PROSPECTUS

Valid as at: 4 November 2026.

This document constitutes the Prospectus for THE BEAGLE FUND which has been prepared in accordance with the Collective Investment Schemes Sourcebook of the Financial Conduct Authority's Handbook of Rules and Guidance. Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary.

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Important information

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.

The Shares have not been and will not be registered in the United States of America under any applicable legislation. They may not be offered or sold in the United States of America, any state of the United States of America or in its territories and possessions or offered or sold to US persons. The Company and the ACD have not been and will not be registered in the United States of America under any applicable legislation.

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.

The provisions of the Instrument of Incorporation are binding on each of the Shareholders and a copy of the Instrument of Incorporation is available on request from Valu-Trac Investment Management Limited.

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.

The ACD shall not divulge any confidential information concerning investors unless required to do so by law or regulation or as set out in this Prospectus or the ACD's Privacy Policy (available at www.valu-trac.com or otherwise on request). Shareholders and potential investors acknowledge that their personal data as well as confidential information contained in the application form and arising from the business relationship with the ACD may be stored, modified, processed or used in any other way by the ACD, its agents, delegates, sub-delegates and certain third parties in any country in which the ACD conducts business or has a service provider (even in countries that do not provide the same statutory protection towards investors' personal data deemed equivalent to those prevailing in the European Union) for the purpose of administering and developing the business relationship with the investor. Subject to applicable law, investors may have rights in respect of their personal data, including a right to access and rectification of their personal data and, in some circumstances, a right to object to the processing of their personal data. Further details are set out in the ACD's Privacy Policy.

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

1. **DEFINITIONS**

"ACD"	Valu-Trac Investment Management Limited, the authorised corporate director of the Company
"ACD Agreement"	an agreement between the Company and the ACD
"AIFM"	the legal person appointed on behalf of the Company and which (through this appointment) is responsible for managing the Company in accordance with the AIFM Directive and The Alternative Investment Fund Managers Regulations 2013, which at the date of this Prospectus is the ACD
"AIFM Directive"	Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and Council of 8 June 2011 as amended from time to time
"Associate"	any other person whose business or domestic relationship with the ACD or the ACD's associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties
"Approved Bank"	(in relation to a bank account opened by the Company): (a) if the account is opened at a branch in the United Kingdom: (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: (i) a bank in (a); or (ii) a credit institution established in an EEA State 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;

(c) any other bank that:

(i) is subject to regulation by a national banking regulator;

(ii) is required to provide audited accounts;

(iii) has minimum net assets of £5 million (or its equivalent in any other currency at the relevant time) and has a surplus revenue over expenditure for the last two financial years; and

(iv) has an annual audit report which is not materially qualified,

as such definition may be updated in the glossary of definitions in the FCA Handbook from time to time

"Auditor"	Johnston Carmichael LLP, 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
"Class" or "Classes"	in relation to Shares, (according to the context) all of the Shares related to the Company or a particular class or classes of Share related to the Company
"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
"Company"	The Beagle Fund
"Dealing Day"	the 15th and last Business Day of each month or if this does not fall on a Business Day, such other day as may be agreed between the ACD and Depositary

"Depositary"	The Bank of New York Mellon (International) Limited, or such other entity as is appointed to act as Depositary
"Director" or "Directors"	the directors of the Company from time to time (including the ACD)
"EEA State"	a member state of the European Union and any other state which is within the European Economic Area
"Efficient Portfolio Management" or "EPM"	for the purposes of this Prospectus, an investment technique where either derivatives or stock lending are used for one or more of the following purposes: reduction of risk, reduction of cost or generation of additional income with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in COLL
"Eligible Institution"	one of certain eligible institutions as defined in the glossary of definitions to the FCA Handbook
"FCA"	the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time
"FCA Handbook"	the FCA Handbook of Rules and Guidance, as amended from time to time
"Financial Services Register"	the public record, as required by section 347 of the Financial Services and Markets Act 2000 (The public record) of every: (a) authorised person; (b) AUT; (c) ICVC; (d) recognised scheme; (e) recognised investment exchange; (f) recognised clearing house; (g) individual to whom a prohibition order relates; (h) approved person; and (i) person within such other class (if any) as the FCA may determine; except as provided by any transitional provisions

"FUND"	refers to the appropriate chapter or rule in the FUND Sourcebook
"the FUND Sourcebook"	the Investment Funds Sourcebook issued by the FCA as amended from time to time
"Home State"	(1) (in relation to a credit institution) the EEA State in which the credit institution has been authorised in accordance with the Banking Consolidation Directive (2) (in relation to an investment firm): (a) where the investment firm is a natural person, the EEA State in which their head office is situated; (b) where the investment firm is a legal person, the EEA State in which its registered office is situated or, if under its national law it has no registered office, the EEA State in which its head office is situated (3) (in relation to an insurer with an EEA right) the EEA State in which the registered office of the insurer is situated (4) (in relation to a market) the EEA State in which the registered office of the body which provides trading facilities is situated or, if under its national law it has no registered office, the EEA State in which that body's head office is situated (5) (in relation to a Treaty firm) the EEA State in which its head office is situated, in accordance with paragraph 1 of Schedule 4 to the Act (Treaty rights)
"ICVC"	investment company with variable capital
"Instrument of Incorporation"	the instrument of incorporation of the Company as amended from time to time
"Portfolio Manager"	Meridiem Investment Management Limited or such other entity as may be appointed by the ACD as the investment manager in respect of the Company from time to tome
"IOSCO"	the International Organisation of Securities Commissions
"Non UCITS Retail scheme"	a scheme which is not constituted in accordance with the UCITS Directive (a European Directive relating to undertakings for collective investment in transferable securities which has been adopted in the UK) but is available to retail investors

"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 Instrument of Incorporation
"OEIC Regulations"	the Open-Ended Investment Companies Regulations 2001 as amended or re- enacted from time to time
"OTC"	over-the-counter derivative; a derivative transaction which is not traded on an investment exchange
"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 to the Company from time to time
"Regulated Activities Order"	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544)
"Regulations"	the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook and the FUND Sourcebook)
"Scheme Property"	the scheme property of the Company required under the COLL Sourcebook and the FUND Sourcebook to be given for safekeeping to the Depositary
"SDRT"	stamp duty reserve tax
"Share" or "Shares"	a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one hundredth of a larger denomination share)
"Shareholder"	a holder of registered Shares in the Company
"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 Christmas Eve and New Year's Eve or a 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

2. DETAILS OF THE COMPANY

2.1. General information

2.1.1. General

The Beagle Fund (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000789 and authorised by the FCA with effect from 6 January 2010 (PRN: 505177). The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after they have paid the price on purchase of the Shares.

The ACD is also the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix IV.

2.1.2. Head Office

The head office of the Company is at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS.

2.1.3. Address for Service

The head office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

2.1.4. Base Currency

The base currency of the Company is Pounds Sterling.

2.1.5. Share Capital

Maximum	£100,000,000,000
Minimum	£1

Shares have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value.

The Company is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of the Company may harm performance by disrupting portfolio management strategies and by increasing expenses. The ACD may at its discretion refuse to accept applications for, or switching of, Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Company. For these purposes, the ACD may consider an investor's trading history in the Company or other Valu-Trac Investment Management Limited funds and accounts under common ownership or control.

2.2. The structure of the Company

2.2.1. The Company

The Company is a Non-UCITS Retail Scheme.

Details of the Company, including its investment objective and policy, are set out in Appendix I. The Company may invest in immovable property on the giving of not less than 60 days' notice to the Shareholders by the ACD.

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

2.2.2. **Shares**

Classes of Share within the Company

Shares will be issued in larger and smaller denominations. There are 100 smaller denomination Shares to each larger denomination Share. Smaller denomination Shares represent what, in other terms, might be called fractions of a larger Share and have proportionate rights.

Shares have no par value and, within each Class subject to their denomination, are entitled to participate equally in the profits arising in respect of, and in the proceeds of, the liquidation of the Company or termination of the Company. Shares do not carry preferential or pre-emptive rights to acquire further Shares.

Further Classes of Share may be established from time to time by the ACD with the agreement of the Depositary and in accordance with the Instrument of Incorporation and the Regulations. On the introduction of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

The base currency for each new Class of Shares will be determined at the date of creation and set out in the Prospectus issued in respect of the new Class of Shares.

The Company may issue income and accumulation Shares. Further details of the Shares presently available, including details of their criteria for subscription and fee structure, are set out in Appendix I. At the date of this Prospectus, only income Shares are available for issue.

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

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

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

Shareholders are entitled (subject to certain restrictions) to switch all or part of their Shares in a Class for Shares of another Class within the Company. Details of this switching facility and the restrictions are set out below under the heading "Switching".

3. BUYING, REDEEMING AND SWITCHING SHARES

The dealing office of the ACD is normally open from 9.00 a.m. to 5.00 p.m. (London time) on each Business Day to receive postal requests for the purchase, sale and switching of Shares. The ACD may vary these times at its discretion. Requests to deal in Shares may be made by sending clear written instructions to the ACD. The initial purchase must, at the discretion of the ACD, be accompanied by an application form. In addition, the ACD may from time to time make arrangements to allow Shares to be bought or sold on-line or through other communication media (electronic or otherwise).

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

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

(1) the electronic media by which such communications may be delivered; and

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

(b) assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the Shareholder.

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

In its dealings in Shares of the Company the ACD is dealing as principal. The ACD does not actively seek to make a profit from dealing in Shares as principal but does so in order to facilitate the efficient management of the Company. The ACD is not accountable to Shareholders for any profit it makes from dealing in Shares as principal.

3.1. Money laundering

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

3.2. Buying Shares

3.2.1. Procedure

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. Any intermediary who recommends an investment in the Company to Shareholders may be entitled to receive commission from the ACD. An ongoing

commission, based on the value of Shares held may also be paid to qualifying intermediaries. In addition, the ACD may from time to time make arrangements to allow Shares to be bought through other communication media. For details of dealing charges see paragraph 3.5 below. Application forms may be obtained from the ACD.

Valid applications to purchase Shares in the Company will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the application, except in the case where dealing in the Company has been suspended.

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue (being more than five Business Days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the applicant. In the event of such a sale or realisation, the ACD shall be entitled to transfer such investments to such persons as it shall specify and, recover any shortfall from that investor.

For postal applications payment in full must accompany the instruction. At the ACD's discretion, payment for large purchases of Shares may be made by telegraphic transfer. The ACD is not obliged to issue Shares unless it has received cleared funds from an investor.

The ACD reserves the right to charge interest at 4% above the prevailing Bank of England base rate, on the value of any settlement received later than the fourth Business Day following the Valuation Point. No interest will be paid on funds held prior to investment. Shares that have not been paid for cannot be redeemed.

Settlement must be made by electronic bank transfer to the bank account detailed on the application form.

A purchase of Shares in writing or any other communication media made available is a legally binding contract. Applications to purchase, once made are, except in the case where cancellation rights are applied, irrevocable. However, subject to its obligations under the Regulations, the 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.

Any subscription monies remaining after a whole number of Shares have been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued. A smaller denomination Share is equivalent to one hundredth of a larger denomination Share.

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

from the sum originally invested. The ACD may extend cancellation rights to other investors but is under no obligation to do so.

3.2.2. **Documents the buyer will receive**

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

Registration of Shares can only be completed by the ACD upon receipt of any required registration details. These details may be supplied in writing to the ACD or by returning to the ACD the properly completed registration form and copy of the confirmation.

Settlement is due within four Business Days of the Valuation Point. An order for the purchase of Shares will only be deemed to have been accepted by the ACD once it is in receipt of cleared funds for the application. If settlement is not made within a reasonable period, then the ACD has the right to cancel any Shares issued in respect of the application.

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

3.2.3. **Minimum subscriptions and holdings**

The minimum initial subscriptions, subsequent subscriptions and holdings levels for each Class of Share are set out in Appendix I.

The ACD may at its sole discretion accept subscriptions and/or holdings lower than the minimum amount(s).

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

3.3. **Redeeming Shares**

3.3.1. **Procedure**

Every Shareholder is entitled on any Dealing Day to redeem its Shares, which shall be purchased by the ACD dealing as principal.

Valid instructions to the ACD to redeem Shares will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the instruction, except in the case where dealing in the Company has been suspended.

A redemption instruction in respect of Shares in writing or any other communication media made available is a legally binding contract. However, an instruction to the ACD to redeem Shares, although irrevocable, may not be settled by either the Company or the ACD if the redemption represents Shares where the money due on the earlier

purchase of those Shares has not yet been received or if insufficient documentation or anti-money laundering information has been received by the ACD.

For details of dealing charges see paragraph 3.5 below.

3.3.2. **Documents a redeeming Shareholder will receive**

A confirmation giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the Business Day following the later of the request to redeem Shares or the Valuation Point by reference to which the price is determined.

Payment of redemption proceeds will normally be made via telegraphic transfer in accordance with any instruction received (the ACD may recover any bank charge levied on such transfers).

Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

Such payment will be made within four Business Days of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Shareholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the ACD of the request to redeem.

No interest will be paid on funds held whilst the ACD awaits receipt of all relevant documentation necessary to complete a redemption.

Shares that have not been paid for cannot be redeemed.

3.3.3. **Minimum redemption**

Part of a Shareholder's holding may be redeemed but the ACD reserves the right to refuse a redemption request if the value of the Shares to be redeemed is less than any minimum stated in respect of the appropriate Class in question (see Appendix I).

3.4. **Switching**

Subject to any restrictions on the eligibility of investors for a particular Share Class, a Shareholder may at any time switch all or some of their Shares of one Class ("the Original Shares") for Shares of another Class ("the New Shares") in the Company. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the Valuation Point applicable at the time the Original Shares are redeemed and the New Shares are issued.

Shareholders are required to provide written switching instructions to the ACD (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) before switching is effected.

The ACD may at its discretion make a charge on the switching of Shares between Classes. Any such charge on switching does not constitute a separate charge payable by a Shareholder, but is rather the application of any redemption charge on the Original Shares and any initial charge on the New Shares, subject to certain waivers. For details of the charges on switching currently payable, please see paragraph 3.5.3 "Charges on Switching".

If a partial Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Original Shares to New Shares (and make a charge on switching on such conversion) or refuse to effect any Switch of the Original Shares. Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a Switch. Written instructions must be received by the ACD before the Valuation Point on a Dealing Day to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant instruction may agree. Switching requests received after a Valuation Point will be held over until the next day which is a Dealing Day.

The ACD may adjust the number of New Shares to be issued to reflect the application of any charge on switching together with any other charges or levies in respect of the application for the New Shares or redemption of the Original Shares as may be permitted pursuant to the COLL Sourcebook.

Please note that under UK tax law a Switch of Shares in one Fund for Shares in any other Fund is treated as a redemption of the Original Shares and a purchase of New Shares and will, for persons subject to taxation, be a realisation of the Original Shares for the purposes of capital gains taxation, which may give rise to a liability to tax, depending upon the Shareholder's circumstances. A Shareholder who Switches Shares in one Fund for Shares in any other Fund (or who Switches between Classes of Shares) will not be given a right by law to withdraw from or cancel the transaction.

3.5. Dealing Charges

The price per Share at which Shares are bought, redeemed or switched is the Net Asset Value per Share (as adjusted for any dilution adjustment, as described in section 3.5.4). Any initial charge or redemption charge, (or SDRT on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

3.5.1. Initial charge

The ACD may impose a charge on the purchase of Shares in each Class. The current initial charge, which is calculated as a percentage of the amount invested by a potential Shareholder, is set out in Appendix I. The ACD may waive or discount the initial charge at its discretion.

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

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

From the initial charge received, or out of its other resources, the ACD may pay a commission to relevant intermediaries including the Portfolio Manager and its Associates.

3.5.2. **Redemption Charge**

The ACD does not currently make a charge on the redemption of Shares in any Class.

The ACD may only introduce (or increase) a redemption charge in accordance with the Regulations. Also, if such a charge was introduced, it would not apply to Shares issued before the date of the introduction (i.e., those not previously subject to a redemption charge).

3.5.3. **Charges on Switching**

On the switching of Shares between Classes in the Company the Instrument of Incorporation authorises the Company to impose a charge on switching. If a redemption charge is payable in respect of the Original Shares, this may become payable instead of, or as well as, the then prevailing initial charge for the New Shares. The charge on switching is payable by the Shareholder to the ACD.

The ACD does not currently make a charge on switching between Share Classes.

3.5.4. **Dilution Adjustment**

The basis on which the Company's investments are valued for the purpose of calculating the price of Shares as stipulated in the Regulations and the Instrument of Incorporation is summarised in paragraph 4.2. Shares in the Company are single priced, meaning the Company applies a single mid-market price which will apply to both the purchase and redemption of Shares.

However, the actual cost of purchasing or selling investments for the Company may deviate from the mid-market value used in calculating the price of Shares due to dealing costs such as broking charges, taxes, and any spread between the buying and selling prices of the underlying investments.

These dealing costs can have an adverse effect on the value of the Company, known as "dilution". For example, as a result of Shareholders redemptions, Shares would be cancelled at the mid-market price. Investments may be sold from the Company to accommodate such redemptions and the market bid price, less costs, is received. That difference in price is suffered by the Company and not those investors who redeemed their Shares.

It is not, however, possible to predict accurately whether dilution will occur at any point in time.

The Regulations allow the cost of dilution to be met directly from the Company's assets or to be recovered from investors on the purchase or redemption of Shares by means of a dilution adjustment to the dealing price (also known as swinging single pricing). The ACD has adopted dilution adjustment as its mechanism to protect investors from the impacts of dilution. The ACD shall comply with COLL 6.3.8 in its application of any such dilution adjustment. The ACD's policy is designed to minimise the impact of dilution on the Company.

The dilution adjustment 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, commissions and transfer taxes. The ACD may, at its absolute discretion, apply a dilution adjustment on the issue and redemption of such Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might be adversely affected, and if in applying a dilution adjustment, so far as practicable, it is fair to all Shareholders and potential Shareholders.

The ACD reserves the right to make a dilution adjustment on every Dealing Day where the ACD is of the opinion that it is in the best interest of Shareholders to do so.

Unless the ACD considers it would be detrimental to Shareholders, in specie transfers will not be taken into account when determining any dilution adjustment and any incoming portfolio will be valued on the same basis as the Company is priced (i.e. offer plus notional dealing charges, mid, or bid less notional dealing charges). When a dilution adjustment is not applied there may be a dilution of the assets of the Company which may constrain the Company's future growth.

The ACD may alter its current dilution adjustment policy in accordance with the Regulations.

The ACD reserves the right to adjust the price by a lesser amount (subject to the rate of dilution being greater than 0%) but will always make such an adjustment in a fair manner solely to reduce dilution and not for the purpose of creating a profit or avoiding a loss for the account of the ACD or an associate of the ACD. It should be noted that as dilution is related to inflows and outflows of monies and the purchase and sale of investments it is not possible to predict accurately if and when dilution will occur and to what extent.

The ACD expects that the average dilution adjustment applied to the Company will be between 0.2% and 1.25% increase or decrease on the mid-market value in normal market conditions, however, the actual rate applied could be higher or lower than this.

Further information on the dilution adjustment in relation to the Company is available from the ACD on request.

3.5.5. **Stamp duty reserve tax ("SDRT")**

The SDRT charge on the surrender of Shares in the Company applies only to in specie redemptions made otherwise than on a pro rata basis. A surrender of Shares to the Company will therefore generally be exempt from SDRT. Any SDRT arising in connection with a non-pro rata in specie redemption will be treated as a cost of that redemption and borne by the relevant redeeming Shareholder.

3.6. **Transfers**

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. Completed instruments of transfer must be returned to the ACD in order for the transfer to be registered by the ACD. The ACD may refuse to register a transfer unless any provision for SDRT due has been paid.

3.7. **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 or which would result in the Company incurring any liability to taxation which the Company is not able to recoup itself or suffering any other adverse consequence. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, redemption, transfer or switching of Shares.

If it comes to the notice of the ACD that any Shares ("affected Shares"):

(a) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or

(b) are held in any manner that would result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or

(c) are held in any manner by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case;

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

A Shareholder who becomes aware that they are holding or owns affected Shares shall immediately, unless they have already received a notice as set out above, either transfer all their affected Shares to a person qualified to own them or submit a request in writing to the ACD for the redemption of all their affected Shares.

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

3.8. **Issue of Shares in exchange for in specie assets**

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

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Company (as set out in Appendix I).

3.9. **In specie redemptions**

If a Shareholder requests the redemption of Shares the ACD may, where it considers that deal to be substantial in relation to the total size of the Company or in some way detrimental to the Company, arrange for Scheme Property having the appropriate value to be transferred to the investor (an 'in specie transfer'), in place of payment for the Shares in cash.

Before the redemption is effected, the ACD must give written notice to the Shareholder of the intention to make an in specie transfer, so that the Shareholder can require the net proceeds of redemption rather than the relevant property if the Shareholder so desires.

The ACD will select the property to be transferred in consultation with the Depositary. The ACD and Depositary must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Shareholder requesting the redemption than to the continuing Shareholders.

3.10. **Limited Redemption**

If the ACD gives Shareholders 60 days' notice of the fact that the Company is to invest in immovable property, the ACD reserves the right to limit the redemption of any shares in circumstances where liquidity within the Company is deemed to be detrimental to the Company's performance.

Notwithstanding the immediately preceding paragraph, the ACD must ensure that redemptions of shares occur at least once in every six months.

3.11. **Suspension of dealings in the Company**

The ACD may, with the prior agreement of the Depositary, and must without delay if the Depositary so requires temporarily suspend the issue, cancellation, sale and redemption of Shares in the Company where due to exceptional circumstances it is in the interests of all the Shareholders in the Company.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for as long as is justified having regard to the interests of Shareholders.

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

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

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

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

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

The ACD may agree during the suspension to deal in Shares in which case all deals accepted during and outstanding prior to the suspension will be undertaken at a price calculated at the first Valuation Point after the restart of dealings in Shares.

3.12. **Liquidity risk management**

3.12.1. The Company is managed so that the liquidity profile of the Company is aligned with the requirement in relation to it so as to meet redemption requests from Shareholders on each Dealing Day. In normal circumstances, redemption requests will be processed as set out in paragraph 3.3. However, in exceptional circumstances, if there is insufficient liquidity in the Company to meet redemption requests, the ACD may ultimately need to temporarily suspend dealing in the Company (see "Suspension of dealings in the Company" at 3.11).

3.12.2. The ACD has other tools to deal with temporary liquidity constraints in relation to the Company. The Company may (i) borrow cash to meet redemptions within the limits in Appendix III; or (ii) apply the in specie redemption provisions at paragraph 3.9.

3.12.3. To manage and monitor liquidity risk, the ACD maintains liquidity risk management policies and procedures. The liquidity risk management policies and procedures include the management, implementation and maintaining of appropriate liquidity limits for the Company and periodic stress testing of the liquidity risk of the Company under both normal and exceptional liquidity conditions to ensure that anticipated redemption requests can be met.

3.12.4. If our policy for managing liquidity should change, this will be set out in the annual report.

4. **VALUATION OF THE COMPANY**

4.1. **General**

The price of a Share is calculated by reference to the Net Asset Value. The Net Asset Value per Share is currently calculated at 12.00 p.m. (London time) (this being the Valuation Point) on each Dealing Day.

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

The ACD will, upon completion of each valuation, notify the Depositary of the price of Shares, of each Class and the level of any dilution adjustment applied in respect of any purchase or redemption of Shares.

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

4.2. **Calculation of the Net Asset Value**

The value of the Scheme Property shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions:

4.2.1. All the Scheme Property (including receivables) is to be included, subject to the following provisions.

4.2.2. Scheme Property which is not cash (or other assets dealt with in paragraph 4.2.2.3.4 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

4.2.2.1. Units or shares in a collective investment scheme:

4.2.2.1.1. if a single price for buying and redeeming units or shares is quoted, at that price; or

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

4.2.2.1.3. if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's

best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;

4.2.2.2. immovable property:

4.2.2.2.1. by a standing independent valuer (as defined in the glossary to the FCA Rules) appointed by the ACD with the approval of the Depositary, on the basis of an 'open market value' as defined in Practice Statement 3 in the Royal Institute of Chartered Surveyors' Appraisal and Valuation Manual (first edition published September 1995) as updated and amended from time to time;

4.2.2.2.2. on the basis of a full valuation with physical inspection (including, where the immovable is or includes a building, internal inspection), at least once a year; and

4.2.2.2.3. on the basis of the last full valuation, at least once a month.

4.2.2.3. Any other transferable security:

4.2.2.3.1. if a single price for buying and redeeming the security is quoted, at that price; or

4.2.2.3.2. if separate buying and redemption prices are quoted, at the average of the two prices; or

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

4.2.2.3.4. Scheme Property other than that described in paragraphs 4.2.2.1 and 4.2.2.2 above, at a value which, in the opinion of the ACD, is fair and reasonable;

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

4.2.3. Scheme Property which is a contingent liability transaction shall be treated as follows:

4.2.3.1. if it is a written option (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net valuation of premium receivable. If the Scheme Property is an off exchange option the method of valuation shall be agreed between the ACD and the Depositary;

4.2.3.2. if it is an off exchange future, include it at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;

4.2.3.3. if it is any other form of contingent liability transaction, include it at the net value of margin on closing out (whether as a positive or negative value). If the

Scheme Property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.

4.2.4. 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.

4.2.5. Subject to paragraphs 4.2.6 and 4.2.7 below, agreements for the unconditional sale or purchase of Scheme 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 if, in the opinion of the ACD, their omission will not materially affect the final net asset amount.

4.2.6. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 4.2.5.

4.2.7. All agreements are to be included under paragraph 4.2.5 which are, or ought reasonably to have been, known to the person valuing the Scheme Property.

4.2.8. Deduct 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, VAT, stamp duty, SDRT and any foreign taxes or duties.

4.2.9. Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon, treating periodic items as accruing from day to day.

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

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

4.2.12. Add any other credits or amounts due to be paid into the Scheme Property.

4.2.13. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

4.2.14. Currencies or values in currencies other than Sterling shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

4.3. **Price per Share in each Class**

The price per Share at which Shares are bought or are redeemed is the Net Asset Value per Share as adjusted for any dilution adjustment, as described in section 3.5.4. Any initial charge or redemption charge, (on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

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

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 the Company by close of business on the Business Day following 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 by close of business on the Business Day following receipt from the Depositary. No interest will be paid on money held in these client money bank accounts. Any money held in a client money account will be protected by the FCA's client money rules.

Accordingly under the exemption when investors are buying Shares the ACD will protect investor money in a client money account if it does not pass the investor's money onto the Depositary by the close of the Business Day following receipt. Similarly when Shareholders sell shares in the Company, the ACD will protect their money in a client money account if it does not pass their money to them by the close of the Business Day following receipt from the Depositary.

4.4. **Pricing basis**

The ACD deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD. Shares in the Company are single priced.

4.5. **Publication of Prices**

The prices of all Shares are published on the ACD's website (www.valu- trac.com). The prices of Shares may also be obtained by calling 0330 678 4760 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. The ACD may also, at its sole discretion, decide to publish certain Share prices in other third party websites or publications but the ACD does not accept responsibility for the accuracy of the prices published in, or for the non-publication of prices by, these sources for reasons beyond the control of the ACD.

5. RISK FACTORS

Potential investors should consider the following risk factors before investing in the Company.

5.1. General

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

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily invested in that asset class or region.

5.2. Tax

Tax laws currently in place may change in the future which could affect the value of your investments. See the section headed 'Taxation' for further details about taxation of the Company.

5.3. Inflation and Interest Rates

The real value of any returns that an investor may receive from the Company could be affected by interest rates and inflation over time.

Investors are not liable to make any further payments after the price on the purchase of the Shares has been paid.

5.4. Effect of Initial Charge or Redemption Charge

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

In particular, where a redemption charge is payable, investors should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the initial value of the Shares. If the market value of the Shares has increased the redemption charge will show a corresponding increase. Currently there is no redemption charge levied on Shares.

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

5.5. Custody

There may be a risk of loss where the assets of the Company are held in custody that could result from the insolvency, negligence or fraudulent action of a custodian or sub-custodian.

5.6. Counterparty and Settlement

The Company will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default.

5.7. **Liquidity**

Depending on the types of assets the Company invests in there may be occasions where there is an increased risk that a position cannot be liquidated in a timely manner at a reasonable price.

5.8. **Dilution**

The Company may suffer a reduction in the value of its Scheme Property due to dealing costs incurred when buying and selling investments. To offset this dilution effect the ACD may apply a dilution adjustment.

5.9. **Suspension of Dealings in Shares**

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of switching) may be suspended.

5.10. **Currency Exchange Rates**

Currency fluctuations may adversely affect the value of the Company's investments and the income thereon and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of their investment in Shares.

5.11. **Derivatives**

The Portfolio Manager may employ derivatives with the aim of reducing the risk profile of the Company, reducing costs, or generating additional capital or income, in accordance with Efficient Portfolio Management ("EPM").

To the extent that derivative instruments are utilised for hedging purposes (reduction of the risk profile of the Company), the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated.

For more information in relation to investment in derivatives please see paragraph 10 in Appendix III.

5.12. **Emerging Markets**

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets.

The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets.

The following is a brief summary of some of the more common risks associated with emerging markets investment:

Fraudulent Securities - Given the lack of a regulatory structure it is possible that securities in which investments are made may be found to be fraudulent. As a result, it is possible that loss may be suffered.

Currency Fluctuations - Significant changes in the currencies of the countries in which investments are made in respect of the currency of denomination of the Company may occur following the investment of the Company in these currencies. These changes may impact the total return of the Company to a significant degree. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques.

Settlement and Custody Risks - Settlement and custody systems in emerging markets are not as well developed as those in developed markets. Standards may not be as high and supervisory and regulatory authorities not as sophisticated. As a result there may be risks that settlement may be delayed and that cash or securities could be disadvantaged.

Investment and Remittance Restrictions - In some cases, emerging markets may restrict the access of foreign investors to securities. As a result, certain equity securities may not always be available to a Company because the maximum permitted number of or investment by foreign shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval. The Company will only invest in markets in which it believes these restrictions to be acceptable. However, there can be no guarantee that additional restrictions will not be imposed.

Accounting - Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to companies in emerging markets differ from those applicable in more developed markets in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to properly assess.

5.13. **Immovable property**

Investments in immovable property involve significant risks and therefore there can be no certainty concerning the future performance of properties purchased. Property values can go up as well as down and are affected by such factors as political factors, level of interest rates, economic growth, fluctuation in property yields, tenant default, supply and demand for residential property, changes in occupancy practices and changes in landlord and tenant law, planning or other property law. The Company may also be exposed to environmental liabilities such as clean-up and other remedial costs. Although the Company will be operated so as to minimise such risks, it is possible that an investor will not get back all of their investments in the Company.

The Company may invest in immovable property on the giving of not less than 60 days' notice to Shareholders by the ACD.

5.14. **OTC Derivatives**

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

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

5.15. **Credit and Fixed Interest Securities**

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

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the yield, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent. BBB is described as having adequate capacity to meet financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the bond issuer to meet its financial commitments.

5.16. **Investment in other schemes**

The Company may, subject to the FCA Rules, invest in unregulated collective investment schemes. Such schemes are subject to less onerous regulatory supervision than regulated schemes, and therefore may be considered higher risk.

These unregulated schemes may include hedge funds which may be illiquid, i.e. difficult to sell, and may also borrow to meet their objectives. This borrowing is likely to lead to volatility in the value of the scheme, meaning that a relatively small movement either down or up in the value of the scheme's total assets will result in a magnified movement in the same direction of the scheme's net asset value.

5.17. **Risks associated with the UK leaving the European Union ("Brexit")**

Following the UK's departure from the European Union (informally known as "Brexit"), the UK's political, economic and legal landscape continues to evolve. In particular, the UK's laws and regulations concerning funds now diverge from those of the European Union and may diverge further in the future. 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.

5.18. **Cyber Security Risk**

As the use of technology has become more prevalent in the course of business, funds have become more susceptible to operational and financial risks associated with cyber security, including: theft, loss, misuse, improper release, corruption and destruction of, or unauthorised access to, confidential or highly restricted data relating to the company and the Shareholders and compromises or failures to systems, networks, devices and applications relating to the operations of the Company and its service providers. Cyber security risks may result in financial losses to the Company and the Shareholders; the inability of the Company to transact business with the Shareholders; delays or mistakes in the calculation of the Net Asset Value or other materials provided to Shareholders; the inability to process transactions with Shareholders or the parties; violations of privacy and other laws; regulatory fines, penalties and reputational damage; and compliance and remediation costs, legal fees and other expenses. The Company's service providers (including but not limited to the ACD and the Depositary and their agents), financial intermediaries, companies in which the Company

invests and parties with which the Company engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own business, which could result in losses to the Company or the Shareholders. While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since the Company does not directly control the cyber security defences or plans of its service providers, financial intermediaries and companies in which it invests or with which it does business.

5.19. **Non-UCITS Retail Schemes (NURS)**

Such funds can have wider investment and borrowing powers than UCITS schemes, with higher investment limits applying in various areas. They may also be able to invest to a greater extent in areas such as property and unregulated collective investment schemes, and have the potential to borrow on a permanent basis. Such additional powers can increase potential reward, but may also increase risk.

5.20. **Epidemic/Pandemic**

Occurrences of epidemics/pandemics (such as COVID-19), depending on their scale, may cause damage to national and local economies which will have an impact on investments. Global economic conditions may be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption may adversely affect funds, may increase volatility, impair liquidity and potential returns and make assets difficult to value. During such epidemics investment management practices that have worked well in the past, or are accepted ways of addressing certain conditions, could prove ineffective. Custody, trading and settlements may also be affected. As a result there may be a negative impact on the value of funds.

6. MANAGEMENT AND ADMINISTRATION

6.1. Regulatory Status

The ACD, the Depositary and the Portfolio Manager are authorised and regulated by the FCA of 12 Endeavour Square, London, E20 1JN.

6.2. Authorised Corporate Director and AIFM

6.2.1. General

The ACD and AIFM is Valu-Trac Investment Management Limited which is a private company limited by shares incorporated in England and Wales on 3 October 1989 with company number 02428648.

The directors of the ACD and their significant business activities not connected with the business of the ACD are as set out in Appendix IV.

Registered Office:	Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
Principal Place of Business:	Mains of Orton, Orton, Moray, Scotland, IV32 7QE
Share Capital:	It has a share capital of £3,398,295 of ordinary shares of £1 each issued and paid up.
Ultimate Holding Company:	Valu-Trac Limited, a company incorporated in Bermuda.

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

It has therefore delegated to the Portfolio Manager the function of portfolio management and advisory services in relation to the assets of the Company (as further explained under the heading "The Portfolio Manager" below). It has also delegated to the Registrar certain functions relating to the Register (as further explained under the heading "The Register" below).

6.2.2. Terms of Appointment:

The appointment of the ACD has been made under an agreement between the Company and the ACD, as amended from time to time (the "ACD Agreement").

Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities.

The ACD Agreement may be terminated by the Company on not less than six months written notice. The ACD can terminate on written notice to the Company, but such

termination will not take effect until a replacement authorised corporate director is appointed by the Company. Either party may terminate earlier on written notice, upon the happening of certain specified events. The ACD Agreement terminates automatically if the ACD ceases to be Director of the Company or the Company is wound up. The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach of duty or breach of trust in relation to the Company on its part. The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, wilful default, breach of duty or breach of trust in the performance of its duties and obligations. Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.

Details of the fees payable to the ACD are set out under the heading "Charges payable to the ACD" below.

The ACD is also under no obligation to account to the Depositary, the Company or the Shareholders for any profit it makes on the issue or re-issue or cancellation of Shares which it has redeemed.

The Company has no Directors other than the ACD.

6.3. **The Depositary**

6.3.1. **General**

The Bank of New York Mellon (International) Limited is the Depositary of the Company and, for the avoidance of doubt, acts as the global custodian to the Company.

The Depositary is a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered office address is at 160 Queen Victoria Street, London, EC4V 4LA.

The principal business activity of the Depositary is the provision of custodial, banking and related financial services. The Depositary is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

6.3.2. **Duties of the Depositary**

The Depositary is responsible for the safekeeping of all the 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 constitutive documents of the Company.

6.3.3. **Terms of Appointment**

The Depositary was appointed under a depositary agreement between the ACD, the Company and the Depositary, effective 17 April 2026 (the "Depositary Agreement").

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

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

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

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 the Depositary's breach of its duties under the Depositary Agreement, fraud, bad faith, negligence, or intentional failure.

The Depositary Agreement may be terminated on three months' 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.

Details of the fees payable to the Depositary are given in paragraph 7.3.

6.3.4. **Delegation of Safekeeping Functions**

The Depositary acts as global custodian and may delegate safekeeping to one or more global sub-custodians (such delegation may include the powers of sub-delegation). The Depositary has delegated safekeeping of the assets of the Company to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon (the "Global Sub-Custodians").

The Global Sub-Custodians may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-delegates. A list of the sub-delegates is set out in Appendix II. Investors should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of sub-delegates is updated only at each Prospectus review. An up to date list of sub-delegates may be obtained from the ACD on request.

6.3.5. **Conflicts of interest**

(i) Definitions relevant to Depositary conflicts of interest

For the purposes of this section, the following definitions shall apply:

"BNY Affiliate" means any entity in which The Bank of New York Mellon Corporation (a Delaware corporation with registered office at 240 Greenwich St, New York, New York 10286, U.S.A) controls (directly or indirectly) an interest of no less than 30% in the voting stock or interests in such entity.

"Link" means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the

capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

"Group Link" means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU, as implemented or given direct effect in the UK, or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002, as it forms part of the law of the UK by virtue of the EU Withdrawal Act 2018, as amended, modified and reinstated from time to time, and any succeeding UK law or regulation which becomes enforceable by law from time to time.

(ii) Company, ACD and investors

The following conflicts of interests may arise between the Depositary, the Company and the ACD:

- A Group Link where the ACD has delegated administrative functions to The Bank of New York Mellon (International) Limited or any BNY Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Link and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary and the ACD will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

If a Link exists between the Depositary and any investors in the Company, the Depositary shall take all reasonable steps to avoid conflicts of interests arising from such Link, and ensure that its functions comply with Article 23 of the UCITS V Regulations as applicable.

(iii) Delegation

The following conflicts of interests exist as a result of the delegation arrangements relating to safekeeping outlined above:

- A Group Link where the Depositary has delegated, or where any Global Sub-Custodian has sub-delegated, the safekeeping of the Scheme Property to a BNY Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Link and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

The Depositary may, from time to time, act as the depositary of other open-ended investment companies with variable capital and as trustee or custodian of other collective investment schemes.

Up-to-date information stated above with regards to the Depositary will be made available to unitholders on request.

(iv) Depositary Conflicts of interest

The Depositary or any BNY Affiliates may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the ACD and the Company. Conflicts of interest may also arise between the Depositary's different clients.

As a global financial services provider, one of the Depositary's fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Depositary is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients.

The Depositary is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

The Depositary maintains an EMEA Conflicts of Interest Policy (the "Conflicts Policy"). The Conflicts Policy (in conjunction with associated policies):

a) identifies the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients;

b) specifies the procedures or measures which should be followed or adopted by the Depositary in order to prevent or manage and report those conflicts of interest;

c) sets out effective procedures to prevent or control the exchange of information between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;

d) includes procedures to ensure the separate supervision of persons whose principal functions involve carrying out activities with or for clients and whose interests may conflict, or who otherwise represent different interests that may conflict, including with the interests of the Depositary;

e) includes procedures to remove any direct link between the remuneration of individuals principally engaged in one activity and the remuneration of, or revenues generated by, different individuals principally engaged in another activity, where a conflict of interest may arise in relation to those activities;

f) specifies measures to prevent or limit any person from exercising inappropriate influence over the way in which an individual carries out investment or ancillary services or activities; and

g) sets out measures to prevent or control the simultaneous or sequential involvement of an individual in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

Disclosure of conflicts of interest to clients is a measure of last resort to be used by the Depositary to address its regulatory obligations only where the organisational and administrative arrangements established by the Depositary (and any BNY Affiliates

where applicable) to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of clients will be prevented.

The Depositary must assess and review the Conflicts Policy at least once per year and take all appropriate measures to address any deficiencies.

The Depositary shall make available to its competent authorities, on request, all information which it has obtained while performing its services and which may be required by the competent authorities of the Company.

6.4. **The Portfolio Manager**

6.4.1. **General**

The ACD has appointed the Portfolio Manager, Meridiem Investment Management Limited, to provide investment management services to the ACD.

The Portfolio Manager is authorised and regulated by the FCA. The Portfolio Manager's registered office is at Riverside House, 2a Southwark Bridge Road, London, United Kingdom, SE1 9HA.

The principal activity of the Portfolio Manager is the provision of investment management services.

6.4.2. **Terms of Appointment:**

The terms of the investment management agreement between the ACD and the Portfolio Manager include the provision of investment management to attain the investment objectives of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. The Portfolio Manager has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers and preparation of the Portfolio Manager's report half yearly for inclusion in the Company's Report for circulation to Shareholders.

The agreement may be terminated by either party on not less than six months prior written notice or earlier upon the happening of certain specified events. Notwithstanding such termination provisions, the agreement may be terminated by the ACD with immediate effect if it is in the best interests of the Shareholders.

The Portfolio Manager will receive a fee paid by the ACD out of its remuneration received each month from the Company, as explained in paragraph 7.4.

The Portfolio Manager will not be considered as a broker fund adviser under the FCA Handbook in relation to the Company.

6.5. **The Registrar**

6.5.1. **General**

The ACD is also appointed to act as registrar to the Company.

The registered office of the Registrar is Mains of Orton, Orton, Moray, Scotland IV32 7QE.

6.5.2. **Register of Shareholders**

The Register of Shareholders will be maintained by the Registrar at Mains of Orton, Orton, Moray, Scotland IV32 7QE and may be inspected at that address or the principal place of business of the ACD during normal business hours by any Shareholder or any Shareholder's duly authorized agent.

The plan register, where applicable, (being a record of persons who subscribe for Shares through Individual Savings Accounts (ISAs)) can be inspected at the office of the Registrar.

6.6. **The Administrator**

The ACD is also appointed to act as administrator to the Company.

6.7. **The Auditors**

The auditors of the Company are Johnston Carmichael LLP, whose address is Strathlossie House, Elgin Business Park, Kirkhill Avenue, Elgin, IV30 8DE and they are responsible for auditing the annual accounts of the Company and expressing an opinion on certain matters relating to the Company in the annual report including whether its accounts have been prepared in accordance with applicable accounting standards, the Regulations and the Instrument of Incorporation.

6.8. **Conflicts of Interest**

The ACD, the Portfolio Manager and other companies within the ACD and/or the Portfolio Manager's group may, from time to time, act as investment manager or advisers to other funds or sub-funds which follow similar investment objectives to those of the Company. It is therefore possible that the ACD and/or the Portfolio Manager may in the course of its business have potential conflicts of interest with the Company or that a conflict exists between the Company and other funds managed by the ACD. Each of the ACD and the Portfolio Manager will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the ACD and the Portfolio Manager will ensure that the Company and other collective investment schemes they manage are fairly treated.

The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its shareholders will be prevented. Should any such situations arise the ACD will disclose these to shareholders in the report and accounts or otherwise an appropriate format.

Details of the ACD's conflicts of interest policy are available on its website at: www.valu-trac.com.

7. **FEES AND EXPENSES**

7.1. **Ongoing**

All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Shares (see paragraph 3.5) payable by a Shareholder or out of Scheme Property are set out in this section.

The Company may, so far as the COLL Sourcebook allows, also pay out of the Scheme Property all relevant costs, charges, fees and expenses including the following:

7.1.1. brokers' commission, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Company (including stock lending and repo transactions) and normally shown in contract notes, confirmation notes and difference accounts as appropriate;

7.1.2. interest on borrowings permitted under the Company's constitution and charges incurred in effecting or terminating or in negotiating or varying the terms of such borrowings;

7.1.3. taxation and duties payable in respect of the property of the Company or the issue, cancellation or redemption of Shares in the Company (including, without limitation, any stamp duty or SDRT payable by the Company);

7.1.4. any costs incurred in modifying the Instrument of Incorporation and the Prospectus, including costs incurred in respect of meetings of Shareholders convened for purpose of approving such modifications;

7.1.5. any costs incurred in respect of meetings of Shareholders convened on a requisition by Shareholders not including the ACD or an Associate of the ACD;

7.1.6. liabilities on amalgamation or reconstruction arising after the transfer of property to the Company in consideration for the issue of Shares as more fully described in the Regulations;

7.1.7. the audit fees and any proper expenses of the auditors and of tax, legal and other professional advisers to the Company;

7.1.8. the fees of the FCA, in accordance with, COLL 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;

7.1.9. any expenses or disbursements payable by the ACD to the Registrar in respect of or in connection with the:

(i) maintenance of the Register;

(ii) preparation of financial statements for the Company;

(iii) calculation of the prices of Shares;

(iv) processing distributions and accumulations of income;

(v) preparation of tax returns;

(vi) provision of facilities for dealing in the Company's Shares; and

(vii) maintenance of the Company's accounting and other books and records (including company secretarial duties),

7.1.10. any costs arising in connection with the publication (in any media) and despatch of the price of Shares;

7.1.11. all costs arising from despatch of the half-yearly and other reports of the Company;

7.1.12. any costs incurred in connection with purchasing and maintaining insurance for the benefit of any person who is or was a Director of the Company;

7.1.13. such other expenses as the ACD resolves are properly payable out of the Company's property;

7.1.14. sums due or payable by virtue of any provision of the Regulations;

7.1.15. value added tax payable on these expenses where applicable;

7.1.16. the costs of secretarial duties, maintenance of minute books etc;

7.1.17. any costs incurred which are associated with independent risk monitoring or daily "value at risk" or "VaR" calculations (part of the risk monitoring process);

7.1.18. any costs incurred in preparing, translating, producing (including printing), distributing and modifying the Instrument, the Prospectus, the Key Investor Information Document (apart from the costs of distributing the Key Investor Information Document) or reports, accounts, statements, contract notes and other like documentation or any other relevant document required under the Regulations; and

7.1.19. the total amount of any cost relating to the authorisation and incorporation of the Company and of its initial offer or issue of Shares.

Expenses are allocated between capital and income in accordance with the Regulations. However, the approach for the Company is set out in Appendix I. Where expenses are deducted in the first instance from income if and only if this is insufficient, deductions will be made from capital. If deductions were made from capital, this would result in capital erosion and constrain growth.

7.2. **Charges payable to the ACD**

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company as set out in Appendix I. The annual management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Company on the immediately preceding Dealing Day and the amount due for each month is payable on the last Dealing Day of each month. The current annual management charge is set out in Appendix I.

The current annual fee payable to the ACD for a Class may only be increased or a new type of remuneration introduced in accordance with the Regulations.

The ACD is also entitled to be paid by the Company out of the Scheme Property all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties as set out above including stamp duty, stamp duty reserve tax on transactions in shares, and expenses incurred (both one-off and ongoing) in relation to the purchase of

licences, systems or data used, or other expenditure reasonably incurred, in the performance of its duties as ACD and in effecting regulatory changes to the Company.

The ACD is also entitled to be paid out of the Scheme Property any fees, expenses and disbursement in respect of the administration of the Company, including in respect of the provision of transfer agency services as follows:

Registration fee:	£10 per shareholder per annum
Transaction charge:	£2.75 per STP (automated) trade £10 per manual trade

The Registration fee shall be calculated based on the number of shareholders on the shareholder register on the last business day of the previous month. Such transfer agency fees shall accrue daily during the current month and shall be payable on the first business day of the following month.

VAT is payable on the charges or expenses mentioned above, where appropriate.

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

7.3. **Depositary's fee and expenses**

The Depositary receives for its own account a periodic fee which will accrue daily and is due monthly on the last Valuation Point in each calendar month in respect of that day and the period since the last Valuation Point in the preceding month and is payable within seven days after the last Valuation Point in each month. The rate of the periodic fee is agreed between the ACD and the Depositary from time to time and is based on the value of the Company:

- Up to £100 million – 1.75 bps (0.0175%) per annum
- £100 million to £250 million – 1.0 bps (0.01%) per annum
- £250 million to £500 million – 0.75 bps (0.0075%) per annum
- Thereafter – 0.5 bps (0.005%)

The Depositary's annual fee is subject to a minimum of £10,000 (plus VAT) per sub-fund for each of the first three years of the Depositary's appointment.

These rates can be varied from time to time in accordance with the OEIC Regulations.

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:

Item	*Range*
Custody charges	0.001% to 0.25%
Transaction charges	£2 to £100 per transaction

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, proxy voting, related tax services, 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 Regulations.

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 Regulations or the general law.

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

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

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 by the Depositary pursuant to the Regulations.

7.4. **Standing Independent Valuer's Fees**

To be determined and to be notified to Shareholders.

7.5. **Portfolio Manager's fee**

The Portfolio Manager's fees and expenses for providing investment management services will be paid by the ACD out of the annual management charge the ACD receives for its services under the ACD Agreement.

Further details of this agreement are summarised under the heading "The Portfolio Manager" above.

8. **INSTRUMENT OF INCORPORATION**

The Instrument of Incorporation is available for inspection at the ACD's offices at Mains of Orton, Orton, Moray Scotland IV32 7QE.

9. SHAREHOLDER MEETINGS AND VOTING RIGHTS

9.1. Class and Company Meetings

The Company shall not hold annual general meetings.

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

9.2. Requisitions of Meetings

The ACD may requisition a general meeting at any time.

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

9.3. Notice and Quorum

Shareholders will receive at least 14 days' notice of a general meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy. The quorum for an adjourned meeting is one person entitled to be counted in a quorum. Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

9.4. Voting Rights

At a general meeting, 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.

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 of all the Shares in issue at a reasonable date before the notice of the meeting is sent out, such date to be decided by the ACD.

A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use in the same way.

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

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

The ACD may not be counted in the quorum for a meeting and neither the ACD nor any Associate (as defined in the COLL Sourcebook) 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 all the Shares in the Company are registered to, or held by, the ACD or its Associates and they are therefore prohibited from voting and a resolution (including an extraordinary resolution) is required to conduct business at a meeting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the 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 in issue.

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

10. **TAXATION**

10.1. **General**

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 summarises the tax position of the Company and of investors who are United Kingdom resident individuals and hold Shares as investments. The regime for taxation of income and capital gains received by individual investors depends on the tax law applicable to their personal 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.

10.2. **The Company**

The Company is generally exempt from United Kingdom tax on capital gains realised on the disposal of its investments (including interest-paying securities and derivatives) held within them. However, any gains realised on disposing of holdings in non-reporting offshore funds are charged to tax as income and not capital.

Any dividend distribution received by the Company (whether directly or through another United Kingdom authorised investment fund) will generally be exempt from corporation tax. The Company will be subject to corporation tax on most other types of income but after deducting allowable management expenses and where relevant the gross amount of any interest distributions. Where the Company suffers foreign tax on income received, this will normally be an irrecoverable tax expense.

The Company will make dividend distributions except where more than 60% of the it's property has been invested throughout the distribution period in interest-paying investments, in which case it will make interest distributions.

10.3. **Shareholders**

10.3.1. **Income**

Any income distribution made by the Company, unless designated by the Company as an interest distribution, will be treated as if it were a dividend from a UK company. No deduction of UK income tax is made from a dividend distribution.

Corporate Shareholders within the charge to UK corporation tax receive this income distribution as franked investment income to the extent that the distribution relates to underlying franked investment income (before deduction of expenses, but net of UK corporation tax) for the period in respect of which the distribution is made. Any part of the distribution which is not received as franked investment income is taxable as if it were an annual payment in the hands of the Shareholder and is subject to corporation tax.

10.3.2. **Income equalisation**

The first income allocation received by an investor after buying Shares may include an amount of income equalisation which will be shown on the issued Tax Voucher. This is effectively a repayment of the income equalisation paid by the investor as part of the

purchase price. It is a return of capital, and is not taxable. Rather it should be deducted from the acquisition cost of the Shares for capital gains tax purposes.

10.3.3. **Tax Vouchers**

A tax voucher will be issued in line with the income distribution dates set out in Appendix I. This voucher should be retained for tax purposes as evidence for HM Revenue & Customs.

To obtain a duplicate copy you will need to submit your request in writing, along with payment, to Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray, Scotland IV32 7QE.

10.3.4. **Capital Gains**

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax or, where the Shareholder is a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of Shares.

Capital gains made by individual Shareholders on disposals from all chargeable sources of investment will be tax free if the net gain (after deduction of allowable losses) falls within an individual's annual capital gains exemption.

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

The amount representing the income equalisation element of the Share price is a return of capital and is not taxable as income in the hands of Shareholders. This amount should be deducted from the cost of Shares in computing any capital gain realised on a subsequent disposal.

10.4. **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.

Under the Automatic Exchange of Information (AEOI) Regime the Company is obliged to share certain information in relation to investors with HMRC which will be shared with other tax authorities. AEOI refers to US Foreign Account Tax Compliant Act ("FATCA") and associated inter-governmental agreements and OECD's Common Reporting Standard ("CRS") as applicable in participating jurisdictions.

Failure to comply with these requirements will subject the Company to US withholding taxes on certain US-sourced income and gains under FATCA and various penalties as applicable in different participating jurisdictions for being non-compliant with CRS regulations.

Shareholders may be asked to provide additional information to the ACD to enable the Company to satisfy these obligations. Failure to provide requested information under FATCA 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 the Company.

To the extent the Company 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 Company 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 Company 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 and/or the ACD and its delegates/agents for any loss caused by such investor arising to the Company 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 foregoing statements are based on UK law and HMRC practice as known at the date of this Prospectus and are intended to provide general guidance only. Shareholders and applicants for Shares are recommended to consult their professional advisers if they are in any doubt about their tax position.

11. **WINDING UP OF THE COMPANY**

The Company will not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the COLL Sourcebook.

Where the Company is to be wound up under the COLL Sourcebook, 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 COLL Sourcebook if there is a vacancy in the position of ACD at the relevant time.

The Company shall be wound up under the COLL Sourcebook:

11.1. if an extraordinary resolution to that effect is passed by Shareholders; or

11.2. when the period (if any) fixed for the duration of the Company by the Instrument of Incorporation expires, or any event 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 £1 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to wind up the Company); or

11.3. on the date 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.

On the occurrence of any of the above:

11.4. COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and borrowing powers) will cease to apply to the Company;

11.5. 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;

11.6. no transfer of a Share shall be registered and no other change to the Register of Shareholders shall be made without the sanction of the ACD;

11.7. 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;

11.8. the corporate status and powers of the Company and subject to 11.4 to 11.6 above, the powers of the Depositary shall continue until the Company is dissolved.

The ACD shall, as soon as practicable after the Company falls to be wound up, realise the assets and meet the liabilities of the Company 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 to Shareholders proportionately to their rights to participate in the Scheme Property. If the ACD has not previously notified Shareholders of the proposal to wind up the Company, the ACD shall, as soon as practicable after the commencement of winding up of the Company, give written notice of the commencement to Shareholders. 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 make a final distribution to Shareholders 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.

As soon as reasonably practicable after completion of the winding up of the Company, the Depositary shall notify the FCA that the winding up has been completed.

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

Following the completion of a 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 and to each Shareholder (or the first named of joint Shareholders) on it within four months of the completion of the winding up or termination.

12. GENERAL INFORMATION

12.1. Accounting Periods

The interim and final accounting dates of the Company are set out in Appendix I.

The ACD may even out the payments of income within an accounting period by carrying forward income otherwise distributable with a view to augmenting amounts to be paid out at a later date.

12.2. Notice to Shareholders

All notices or other documents sent by the ACD to a Shareholder will be sent by normal post to the last address notified in writing to the Company by the Shareholder.

12.3. Income Allocations

The interim and final income allocation dates of the Company are set out in Appendix I. Income is allocated in respect of the income available at each accounting date.

In relation to income Shares, distributions of income are paid by telegraphic transfer directly into a Shareholder's bank account on or before the relevant income allocation date in each year as set out in Appendix I.

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

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

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

12.4. Annual Reports

Annual reports of the Company will be published within four months of each annual accounting period and half-yearly reports will be published within two months of each interim accounting period. The report containing the full accounts will be available free of charge upon request.

12.5. **Documents of the Company**

The following documents may be inspected free of charge during normal business hours on any Business Day at the offices of the ACD at Mains of Orton, Orton, Moray, Scotland IV32 7QE:

12.5.1. the most recent annual and half yearly reports of the Company;

12.5.2. the Prospectus (and any amending documents); and

12.5.3. the Instrument of Incorporation (and any amending documents).

Shareholders may obtain copies of the above documents from the ACD. The ACD may make a charge at its discretion for copies of the Instrument and the material contracts (the most recent versions of the Prospectus and annual and half yearly reports of the Company are available free of charge to anyone who requests).

12.6. **Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

12.6.1. the ACD Agreement between the Company and the ACD; and

12.6.2. the Depositary Agreement between the Company, the Depositary and the ACD.

Details of the above contracts are given under the heading "Management and Administration" above.

12.7. **Provision of Investment Advice**

All information concerning the Company and about investing in Shares of the Company is available from the ACD at Mains of Orton, Orton, Moray, Scotland IV32 7QE.

The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and investors should ensure that they have the most up to date version.

12.8. **Telephone Recordings**

Please note that the ACD may record telephone calls for training and monitoring purposes and to confirm investors' instructions.

12.9. **Information available to Shareholders**

The following information will be made available to Shareholders as part of the Company's periodic reporting and, as a minimum, in the annual report:

12.9.1. the percentage of the Company's assets which will be subject to special arrangements arising from their illiquid nature, including an overview of any special arrangements in place, the valuation methodology applied to assets which are

subject to such arrangements and how management and performance fees will apply to these assets;

12.9.2. the current risk profile of the Company, and information on the risk management systems used by the ACD to manage those risks;

12.9.3. the total amount of leverage employed by the Company calculated in accordance with the gross and commitment methods; and

12.9.4. any material changes to the information above.

It is intended that Shareholders will be notified promptly of any material changes to the liquidity management systems and procedures such as the suspension of redemptions, the deferral of redemptions or similar special liquidity arrangements. It is intended that any changes to the maximum level of leverage which the Company may employ will be provided to Shareholders without undue delay.

12.10. **Changes to the Company**

Where any changes are proposed to be made to the Company the ACD will assess, with input from the Depositary, whether the change is fundamental, significant or notifiable in accordance with COLL 4.3. Changes to the Company's investment objective and investment policy will usually be significant or fundamental, unless those changes are only for clarification purposes and do not result in any change in how the Company is managed. Certain changes to the Company may require approval by the FCA in advance.

If the change is regarded as fundamental, Shareholder approval will be required. If a change requires Shareholder approval, this will mean that Shareholders will need to approve the change at a meeting. The procedure for Shareholder meetings is described above at Section 9.

If the change is regarded as significant, not less than 60 days' prior written notice will be given to Shareholders. If the change is regarded as notifiable, Shareholders will receive suitable pre or post event notice of the change.

12.11. **Complaints**

Complaints may be brought in writing to the compliance officer at Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray, Scotland IV32 7QE, or by telephone to 0330 678 4760.

In the event that an unsatisfactory response is provided, you can refer your complaint to the Financial Ombudsman Service at: Financial Ombudsman Service, Exchange Tower, London E14 9SR.

A copy of the ACD's 'Guide to Making a Complaint' is available upon request.

12.12. **Risk Management**

The ACD will provide upon the request of a Shareholder further information relating to:

12.12.1. the quantitative limits applying in the risk management of the Company;

12.12.2. the methods used in relation to 12.12.1; and

12.12.3. any recent development of the risk and yields of the main categories of investment.

12.13. **Indemnity**

The Instrument of Incorporation contains provisions indemnifying the Directors, other officers and the Company's auditors or the Depositary against liability in certain circumstances otherwise than in respect of their negligence, default, breach of duty or breach of trust, and indemnifying the Depositary against liability in certain circumstances otherwise than in respect of its failure to exercise due care and diligence in the discharge of its functions in respect of the Company.

12.14. **Professional liability risks**

The ACD covers potential professional liability risks arising from its activities as the Company's AIFM through additional own funds.

12.15. **Fair treatment of investors**

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

12.15.1. acting in the best interest of the Company and of the investors;

12.15.2. executing the investment decisions taken for the account of the Company in accordance with the objectives, the investment policy and the risk profile of the Company;

12.15.3. ensuring that the interests of any group of investors are not placed above the interests of any other group of investors;

12.15.4. ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company managed;

12.15.5. preventing undue costs being charged to the company and investors;

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

12.15.7. recognising and dealing with complaints fairly.

From time to time the ACD may afford preferential terms of investment to certain groups of investors. In assessing whether such terms are afforded to an investor, the ACD will ensure that any such concession is not inconsistent with its obligation to act in the overall best interests of the relevant Company and its investors.

In particular, the ACD will typically exercise its discretion to waive the initial charge or investment minima for investment in a Class for investors that are investing sufficiently large amounts, either initially or are anticipated to do so over time, such as platform service providers, institutional investors including fund of fund investors and fund-link investors. The ACD may also have agreements in place with such groups of investors which result in them paying a reduced annual management charge.

12.16. **Immovable and movable property**

Currently the Company does not intend to have an interest in any immovable property or movable property for the direct pursuit of its business.

The Company may invest in immovable property on the giving of not less than 60 days' notice to Shareholders by the ACD.

12.17. **Shareholders' rights**

12.17.1. Shareholders are entitled to participate in the Company on the basis set out in this prospectus (as amended from time to time). Sections 12.11 ("Complaints"), 9 ("Shareholder Meetings and Voting Rights"), 12.4 ("Annual Reports") and 12.5 ("Documents of the Company") of this prospectus set out important rights about Shareholders' participation in the Company.

12.17.2. Shareholders may have no direct rights against the service providers to the Company set out in Section 6.

12.17.3. The ACD must ensure that this Prospectus does not contain any untrue or misleading statement or omit any matter required to be disclosed in the Prospectus by the FUND Sourcebook or the COLL Sourcebook. To the extent that a Shareholder incurs loss as a consequence of an untrue or misleading statement or omission, the ACD may be liable to compensate that Shareholder subject to the ACD having failed to exercise reasonable care to determine that the statement was true and not misleading or that the omission was appropriate, in accordance with the FCA Handbook.

12.17.4. Shareholders have statutory and other legal rights which include the right to complain and may include the right to cancel an order or seek compensation.

12.17.5. Shareholders who are concerned about their rights in respect of the Company should seek legal advice.

12.18. **Financial Services Compensation Scheme**

The ACD is covered by the Financial Services Compensation Scheme. Shareholders may be entitled to compensation from the scheme if the ACD cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of

investment businesses are covered for 100% of investments up to £85,000. Further information is available from:

The Financial Services Compensation Scheme

PO Box 300

Mitcheldean

GL17 1DY

Tel: 0800 678 1100

Website: www.fscs.org.uk

12.19. **Genuine Diversity of Ownership**

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

12.20. **Governing law and jurisdiction**

The ACD treats a Shareholder's participation in the Company as governed by the law of England and Wales. The English courts shall have exclusive jurisdiction to settle any disputes or claims which may arise out of, or in connection with, a Shareholder's participation in the Company.

APPENDIX I

COMPANY DETAILS

Name:	**The Beagle Fund**
PRN:	505177
Type of scheme:	Non-UCITS Retail Scheme
Investment Objective and Investment Policy and Strategy:	The investment objective of The Beagle Fund is to seek capital and income growth from investments identified across global equity and/or bond markets. The manager may also choose to hold collective investment schemes and cash as appropriate in achieving the overall objective of the fund.
Benchmark	The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective is achieved (i.e. whether there has been capital growth and income over the long term (5+ years)).
Final accounting date:	30 September
Interim accounting date:	31 March
Income distribution dates:	30 November (final) 31 May (interim)
Shares Classes and type of Shares:	Income Shares
Initial charge:	7.50%*
Redemption charge:	Nil
Switching charge:	Nil
Annual Management Charge:	£31,020.00[1] per annum PLUS A tiered variable fee based on the Net Asset Value of the Company (plus VAT if applicable) as follows: - on the part of the NAV that is less than or equal to £10 million – 0.70% per annum; - on the part of the NAV that is greater than £10 million but less than or equal to £25 million – 0.60% per annum;

[1] The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year. The stated fee is accurate as of 1 January 2026. In the event of negative inflation, this fee will remain unchanged.

- on the part of the NAV thereafter – 0.50% per annum,

Allocation of Charges:	**Income**	**Capital**
AMC Administration	100%	
Ongoing operating costs	100% 100%	
Dealing and registration	100%	
Depositary (see section	100%	
Custody (see section	100%	
Portfolio transactions (SDRT, broker's commission)		100%

Investment minima:**	
Lump sum	£100,000
Holding	£100,000
Top-up	Nil
Redemption	Nil
Regular savings plan	None
Past performance:	Past performance information will be set out in Appendix V

*The ACD may waive or discount the initial charge at its absolute discretion.
**The ACD may waive the minimum levels at its discretion.
The maximum level of leverage for this Company expressed as a ratio of the Company's total exposure to its Net Asset Value
(a) under the Gross Method is 3.1:1; and
(b) under the Commitment Method is 1.1:1.

Target Market Information

Type of clients: retail, professional clients and eligible counterparties (subject to the applicable legal and regulatory requirements in the relevant jurisdiction).

Clients' knowledge and experience: investors with at least basic knowledge and experience of funds which are to be managed in accordance with a specific investment objective and policy.

Clients' financial situation with a focus on ability to bear losses: Investors must be prepared to accept fluctuations in the value of capital including capital loss and accept the risks of investing in equity markets, including having the ability to bear 100% capital loss.

Clients' risk tolerance and compatibility of risk/reward profile of the product with the target market: due to the volatility of markets and specific risks of investing in shares in the Company (including those set out in the risk warnings in this Prospectus), investors should have a high risk tolerance. They should be willing to accept price fluctuations in exchange for the opportunity of higher returns.

Clients' objectives and needs: investors should be seeking to invest for the medium to long term and should wish to gain access to a portfolio managed in accordance with the specific investment objective and policy of the Company.

Clients' who should not invest: shares in the Company are deemed incompatible for investors which:

- are looking for full capital protection or full repayment of the amount invested and clients who want a guaranteed return (whether income or capital)
- are fully risk averse/have no risk tolerance
- need a fully guaranteed income of fully predictable return profile

Distribution channel: these products are eligible for all distribution channels (e.g. investment advice, portfolio management and non-advised sales).

APPENDIX II

PART I - ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

The Company may deal through securities and derivatives markets which are regulated markets (as defined in the glossary to the FCA Handbook) or markets established in the UK or an EEA State which are regulated, operate regularly and are open to the public (excluding Cyprus and Slovenia).

The Company may also deal through the securities and derivatives markets and derivatives markets indicated below:

Eligible Securities Markets:

United States of America	NYSE Euronext New York
	The NASDAQ Stock Market (NASDAQ)
	NYSE Amex Equities
	Chicago Mercantile Exchange (CME)
	Chicago Board of Trade (CBOT)
	The market in transferable securities issued by or on behalf of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers
Australia	Australian Securities Exchange (ASX)
Canada	Toronto Stock Exchange (TSX)
	TSX Venture Exchange
Hong Kong	Hong Kong Stock Exchange
India	National Stock Exchange of India (NSE)
Indonesia	Indonesian Stock Exchange
Japan	Tokyo Stock Exchange
	Nagoya Stock Exchange
Korea	Korea Exchange (KRX)
Malaysia	Bursa Malaysia Securities Bhd
Mexico	Bolsa Mexicana de Valores (BMV)
New Zealand	New Zealand Stock Exchange (NZX)

Philippines	Philippine Stock Exchange
Singapore	Singapore Exchange (SGX)
South Africa	JSE Limited
Switzerland	SIX Swiss Exchange (SWX)
Taiwan	Taiwan Stock Exchange
Thailand	The Stock Exchange of Thailand (SET)
Eligible Derivatives Markets:	
United Kingdom	The London International Financial Futures and Options Exchange (NYSE LIFFE)

PART II– List of Sub-custodians (as at the date of this prospectus)

Country/Market	Subcustodian	Address
Argentina	The Branch of Citibank, N.A. in the Republic of, Argentina	Ciudad de Buenos Aires
Australia	Citigroup Pty Limited	Melbourne
Australia	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Austria	UniCredit Bank Austria AG	Vienna
Bahrain	HSBC Bank Middle East Limited	Kingdom of Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation	Hong Kong
Belgium	The Bank of New York Mellon SA/NV	Brussels
Bermuda	HSBC Bank Bermuda Limited	Hamilton
Botswana	Stanbic Bank Botswana Limited	Gaborone
Brazil	Citibank N.A., Brazil	Sao Paulo
Brazil	Banco Santander (Brasil) S.A.	Sao Paulo
Bulgaria	Citibank Europe plc, Bulgaria Branch	Sofia
Canada	CIBC Mellon Trust Company (CIBC Mellon)	Toronto
Cayman Islands	The Bank of New York Mellon	New York
Channel Islands	The Bank of New York Mellon	New York
Chile	Banco Santander Chile	Santiago
China	HSBC Bank (China) Company Limited	Shanghai
China	Bank of China Limited	Beijing
China	Agricultural Bank of China Limited	Beijing
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Bogota
Colombia	S3 CACEIS Colombia S.A. Sociedad Fiduciaria	Bogota
Costa Rica	Banco Nacional de Costa Rica	San José

Croatia	Privredna banka Zagreb d.d.	Zagreb
Cyprus	Citibank Europe Plc, Greece Branch	Athens
Czech Republic	Citibank Europe plc, organizacni slozka	Prague
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Denmark	The Bank of New York Mellon SA/NV	Brussels
Egypt	HSBC Bank Egypt S.A.E.	Cairo
Estonia	AS SEB Pank	Tallinn
Estonia	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Euromarket	Clearstream Banking S.A.	Luxembourg
Euromarket	Euroclear Bank SA/NV	Brussels
Finland	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
France	BNP Paribas SA	Paris
France	The Bank of New York Mellon SA/NV	Brussels
Germany	The Bank of New York Mellon SA/NV	Frankfurt
Ghana	Stanbic Bank Ghana Limited	Accra
Greece	Citibank Europe Plc, Greece Branch	Athens
Hong Kong	Citibank N.A.	Hong Kong
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Hungary	Citibank Europe plc. Hungarian Branch Office	Budapest
Iceland	Landsbankinn hf.	Reykjavik
India	Standard Chartered Bank, India Branch	Mumbai
India	Deutsche Bank AG	Mumbai

India	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Indonesia	Standard Chartered Bank, Indonesia Branch	Jakarta
Indonesia	Deutsche Bank AG	Jakarta
Ireland	The Bank of New York Mellon	New York
Israel	Bank Hapoalim B.M.	Tel Aviv
Italy	The Bank of New York Mellon SA/NV	Brussels
Japan	Mizuho Bank, Ltd.	Tokyo
Japan	MUFG Bank, Ltd.	Tokyo
Jordan	Bank of Jordan PLC	Amman
Kazakhstan	Citibank Kazakhstan Joint-Stock Company	Almaty
Kenya	Stanbic Bank Kenya Limited	Nairobi
Kuwait	HSBC Bank Middle East Limited, Kuwait	Safat
Latvia	AS SEB banka	Kekavas novads
Latvia	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Lithuania	AB SEB bankas	Vilnius
Lithuania	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Luxembourg	Euroclear Bank SA/NV	Brussels
Malawi	Standard Bank PLC	Lilongwe
Malaysia	Standard Chartered Bank Malaysia Berhad	Kuala Lumpur
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt

Mauritius	The Hongkong and Shanghai Banking Corporation Limited	Ebene
Mexico	Banco Citi México, S.A. Institución de Banca Múltiple, Grupo Financiero Citi México	Ciudad de Mexico
Mexico	Banco S3 CACEIS Mexico, S.A., Institución de Banca Multiple	Ciudad de Mexico
Morocco	Citibank Maghreb S.A.	Casablanca
Namibia	Standard Bank Namibia Limited	Kleine Kuppe, Windhoek
Netherlands	The Bank of New York Mellon SA/NV	Brussels
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	Auckland
Nigeria	Stanbic IBTC Bank Ltd	Lagos
Norway	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Oman	Standard Chartered Bank	Ruwi
Pakistan	Deutsche Bank AG	Karachi
Panama	Citibank N.A., Panama Branch	Panama City
Peru	Citibank del Peru S.A.	Lima
Philippines	Standard Chartered Bank Philippines Branch	Makati City
Poland	Bank Polska Kasa Opieki S.A.	Warszawa
Portugal	Citibank Europe Plc	Dublin
Qatar	Qatar National Bank	Doha
Qatar	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Romania	Citibank Europe plc Dublin, Romania Branch	Bucharest
Russia	AO RenCap Bank	Moscow
Russia	Tbank	Moscow
Saudi Arabia	HSBC Saudi Arabia	Riyadh
Serbia	UniCredit Bank Serbia JSC Belgrade	Belgrade
Singapore	DBS Bank Ltd	Singapore

Singapore	Standard Chartered Bank (Singapore) Limited	Singapore
Slovak Republic	Citibank Europe plc, pobocka zahranicnej banky	Bratislava
Slovenia	UniCredit Banka Slovenija d.d.	Ljubljana
South Africa	Standard Chartered Bank, Johannesburg Branch	Sandton
South Africa	The Standard Bank of South Africa Limited	Johannesburg
South Korea	Standard Chartered Bank Korea Limited (SCB)	Seoul
South Korea	The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch	Seoul
South Korea	Deutsche Bank AG	Seoul
Spain	Banco Bilbao Vizcaya Argentaria, S.A.	Bilbao
Spain	CACEIS Bank Spain, S.A.U.	Madrid
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Sweden	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Switzerland	UBS Switzerland AG	Zurich
Taiwan	HSBC Bank (Taiwan) Limited	Taipei City
Taiwan	Citibank Taiwan Limited	Taipei City
Tanzania	Stanbic Bank Tanzania Limited	Dar es Salaam
Thailand	The Hongkong and Shanghai Banking Corporation Limited	Bangkok
Tunisia	Union Internationale de Banques	Tunis
Turkey	Deutsche Bank A.S.	Istanbul
U.A.E.	HSBC Bank Middle East Limited (HBME)	Dubai
U.K.	The Bank of New York Mellon	New York
U.S.A.	The Bank of New York Mellon	New York

U.S.A. Precious Metals	HSBC Bank, USA, N.A.	New York
Uganda	Stanbic Bank Uganda Limited	Kampala
Ukraine	JSC "Citibank" Full name Joint Stock Company "Citibank"	Kiev
Uruguay	Banco Itaú Uruguay S.A.	Montevideo
Vietnam	HSBC Bank (Vietnam) Ltd	Ho Chi Minh City
WAEMU	Société Générale Côte d'Ivoire	Abidjan
Zambia	Stanbic Bank Zambia Limited	Lusaka
Zimbabwe	Stanbic Bank Zimbabwe Limited	Harare

Note: Benin, Burkina-Faso, Guinea Bissau, Ivory Coast, Mali, Niger, Senegal and Togo are members of the West African Economic and Monetary Union (WAEMU).

APPENDIX III

INVESTMENT AND BORROWING POWERS OF THE COMPANY

1. General

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

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

1.1. **Prudent spread of risk**

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

1.1.1. Subject to paragraphs 1.1.2 and 1.1.3, the rules relating to spread of investments, including immovables, do not apply until 12 months after the later of:

(a) the date when the authorisation order in respect of the company takes effect; and

(b) the date the initial offer commenced;

provided that 1.1 is complied with during such period.

1.1.2. Subject to 1.1.3 below, the limits in COLL 5.6.19R do not apply until 24 months after the later of:

(a) the date when the authorisation order in respect of the Company takes effect; and

(b) the date the initial offer commenced;

1.1.3. The limit in COLL 5.6.19R(7) relating to immovables which are unoccupied and non-income producing or are in the course of substantial development, redevelopment or refurbishment applies from the later of the date when the authorisation order in respect of the Company takes effect and the date the initial offer period commenced.

1.2. **Cover**

1.2.1. Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in warrants and nil and partly paid

securities and the general power to accept or underwrite placings) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Company under any other of those rules has also to be provided for.

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

1.2.2.1. it must be assumed that in applying any of those rules, the Company must also simultaneously satisfy any other obligation relating to cover; and

1.2.2.2. no element of cover must be used more than once.

1.3. **Transferable Securities**

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

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

1.3.3. In applying paragraph 1.3.2 of this Appendix to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (shares, etc) or 77 (instruments creating or acknowledging indebtedness) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

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

2. Non-UCITS Retail Schemes - general

2.1. Subject to the investment objectives and policy of the Company, the Scheme Property must, except where otherwise provided in COLL 5 only consist of any or all of:

2.1.1. transferable securities;

2.1.2. money market instruments;

2.1.3. units in permitted collective investment schemes;

2.1.4. permitted derivatives and forward transactions;

2.1.5. permitted deposits;

2.1.6. permitted immovables; and

2.1.7. gold up to a limit of 10% in value of the Scheme Property of the Company

2.2. Transferable securities and money market instruments held within the Company must (subject to paragraph 2.3 of this Appendix) be;

2.2.1. admitted to or dealt in on an eligible market as described below;

2.2.2. approved money-market instruments not admitted or dealt in on an eligible market below which satisfy the requirement of paragraph 9 (Investment in money market instruments) of this Appendix;

2.2.3. recently issued transferable securities provided that:

2.2.3.1. the terms of issue include an undertaking that application will be made to be admitted on an eligible market; and

2.2.3.2. such admission is secured within a year of issue.

2.2.4. subject to a limit of 20% in value of the Scheme Property be:

2.2.4.1. transferable securities which are not within 2.2.1 to 2.2.3; or

2.2.4.2. money-market instruments which are liquid and have a value which can be determined accurately at any time.

2.3. Transferable securities held by the Company must also satisfy the criteria in COLL 5.2.7AR, COLL 5.2.7CR and COLL 5.2.7ER for the purposes of investment by a UCITS scheme.

2.4. The requirements on spread of investments do not apply until 12 months after the later of:

2.4.1. the date when the authorisation order in respect of the non- UCITS retail scheme takes effect; and

2.4.2. the date the initial offer commenced;

provided that 1.1 (Prudent spread of risk) is complied with during such period.

3. Eligible markets regime: purpose

3.1. This section specifies criteria as to the nature of the markets in which property of a Non-UCITS Retail Scheme may be invested.

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

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

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

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

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

3.4.1. the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

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

3.4.3. the Depositary has taken reasonable care to determine that:

3.4.3.1. adequate custody arrangements can be provided for the investment dealt in on that market; and

3.4.3.2. all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

3.5. In paragraph 3.4.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

4. Spread: general

4.1. This rule on spread does not apply in respect of government and public securities.

4.2. For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with section 399 of the Companies Act 2006, Directive 83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.

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

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

4.4.1. For the purposes of the above provisions, a single body is:

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

(b) in relation to deposits, the person with whom they are placed

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

4.6. In applying paragraph 4.4, certificates representing certain securities are to be treated as equivalent to the underlying security.

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

4.8. Not more than 35% in value of the Scheme Property is to consist of the units or shares of any one collective investment scheme.

4.9. Not more than 20% in value of the Scheme Property may consist of transferable securities and money market instruments issued by the same group.

4.10. The COLL Sourcebook provides that in applying the limits in 4.3 and 4.4, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:

- transferable securities or money market instruments issued by; or
- deposits made with; or
- exposures from OTC derivatives transactions made with;

a single body.

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

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

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

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

4.11.4. can be fully enforced by the Company at any time.

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

4.12.1. comply with the conditions set out in Part 7 (Contractual netting (Contracts for novation and other netting agreements)) of Annex III to the Banking Consolidation Directive; and

4.12.2. are based on legally binding agreements.

4.13. In applying this paragraph (Spread: general), all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions:

4.13.1. it is backed by an appropriate performance guarantee; and

4.13.2. it is characterised by a daily mark-to-market valuation of the derivative positions and at least daily margining.

5. Spread: government and public securities

5.1. The following section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued by:

5.1.1. the United Kingdom or an EEA state;

5.1.2. a local authority of the United Kingdom or an EEA state;

5.1.3. a non-EEA state; or

5.1.4. a public international body to which the United Kingdom or one or more EEA states belong.

5.2. Where no more than 35% in value of the Scheme Property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

5.3. The Company may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:

5.3.1. the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the authorised Company;

5.3.2. no more than 30% in value of the Scheme Property consists of such securities of any one issue;

5.3.3. the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;

5.3.4. the following disclosures required by the FCA have been made.

In giving effect to the foregoing object more than 35% of the Scheme Property may be invested in Government and other public securities issued or guaranteed by the Government of the United Kingdom, the Scottish Administration, the Executive Committee of the Northern Ireland Assembly or the National Assembly of Wales, the Governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain and Sweden and the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.

6. Investment in collective investment schemes

6.1. Except where the investment policy of the Company is inconsistent with this, up to 100% of the value of the scheme property of the Company may be invested in units in other schemes. The scheme property may be invested in schemes managed or operated by the ACD or its Associates (including an ICVC whose operator is the ACD) or an Associate of the ACD, subject to the rules contained in COLL 5.6.11. Investment may only be made in other collective investment schemes whose maximum annual management charge does not exceed 3%. Investment may only be made in other collective investment schemes managed by the ACD or an Associate of the ACD if the rules on double charging contained in the COLL Sourcebook are complied with.

6.2. The Company may invest in collective investment schemes provided the investee scheme is invested in property and:

6.2.1. be a UK UCITS or satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or

6.2.2. is a Non-UCITS Retail Scheme; or

6.2.3. is a recognised scheme under the provisions 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 COLL 5.2.13AR are met); or

6.2.4. is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a Non-UCITS Retail Scheme; or

6.2.5. is authorised by the competent authority of an OECD member country (other than an EEA State) which has: (a) signed the IOSCO Multilateral Memorandum of Understanding; and (b) approved the second Scheme's management company, rules and depositary/custody arrangements; (provided the requirements of COLL 5.2.13AR are met); or

6.2.6. is a scheme not falling within 6.2.1 to 6.2.5 and in respect of which no more than 20% in value of the scheme property (including any transferable securities which are not approved securities) is invested.

6.3. The investee scheme is a scheme which operates on the principle of the prudent spread of risk.

6.4. The investee scheme is a scheme which must be prohibited from having more than 15% in value of its scheme property consisting of units or shares in collective investment schemes'

6.5. The participants within the investee scheme must be entitled to have their units or shares redeemed in accordance with the scheme at a price related to the net value of the property to which the units or shares relate and determined in accordance with the scheme.

6.6. Where the investee Scheme is an umbrella, the provisions in paragraphs 6.3 to 6.5 and section 4 (Spread: general) above apply to each sub fund as if it were a separate scheme.

7. Investment in immovable property

7.1. Immovable Property may only be invested in once Shareholders' have been given not less than 60 days' notice.

7.2. The Company may be fully invested in situations of land or buildings in the United Kingdom, the Channel Islands and the Isle of Man. The ACD must take reasonable care to determine that the title to such property is a good marketable title. An immovable must be a freehold or leasehold interest (if in England and Wales or Northern Ireland) or any interest or estate in or over land or heritable right including a long lease (if in Scotland) or an equivalent interest (if in neither of those jurisdictions).

7.3. For each investment in an immovable the ACD must have received a report from an appropriate valuer which (i) contains a valuation of the immovable (with and without any relevant subsidiary mortgage) and states that in the appropriate valuer's opinion the immovable would, if acquired by the Company, be capable of being disposed of reasonably quickly at that valuation; or (ii) states that the immovable is adjacent to or in the vicinity of another immovable included in the Scheme Property or is another legal interest, as referred to in 6.2, in an immovable which is already included in the Scheme Property and in the opinion of the appropriate valuer, the total value of both immovables would at least equal the sum of the price payable for the immovable and the existing value of the other immovable.

7.4. An immovable must (i) be bought or be agreed by enforceable contract to be bought within six months of the report of the appropriate valuer; (ii) not be bought if it is apparent that the report in (i) could not be relied upon; and (iii) not be bought at more than 105% of the valuation for the relevant immovable in the report in paragraph 7.3. An appropriate valuer must be a person who has knowledge of and experience in the valuation of immovables of the relevant kind in the relevant area, is qualified to be a standing independent valuer of a Non-UCITS Retail Scheme or is considered by the Company's standing independent valuer to hold an equivalent qualification, is independent of the Depositary and each of the Directors of the ACD and Depositary and has not engaged themself or any of their Associates in relation to the finding of the immovable for the Company or the finding of the Company for the immovable.

7.5. Not more than 15% in value of the Scheme Property is to consist of one immovable. Immovables adjacent to or in the vicinity of another immovable included in the Scheme Property, or another legal interest in an immovable which is already in the Scheme Property, shall be deemed to be one immovable provided, in the opinion of an appropriate valuer, the total value of both immovables would at least equal the sum of the price payable for the immovable and the existing

value of the other immovable. The figure of 15% may be increased to 25% once the immovable has been included in the Scheme Property.

7.6. Income received from any one group in an accounting period must not be attributable to immovables comprising (a) more than 25%; or (b) in the case of a government or public body, more than 35% of the value of the Scheme Property.

7.7. Not more than 20% in value of the Scheme Property is to consist of mortgaged immovables and any mortgage must not secure more than 100% of the valuation received from an appropriate valuer.

7.8. An immovable may be mortgaged up to 100% of the value in 7.5 provided that no more than 20% of the value of the Scheme Property consists of such immovables and any transferable securities which are not approved securities.

7.9. The Company may invest up to 50% of the Scheme Property in immovables which are unoccupied and non-income producing or in the course of substantial development, redevelopment or refurbishment.

7.10. The Company may grant an option to a third party to buy an immovable in the Scheme Property provided the value of the relevant immovable does not exceed 20% of the value of the Scheme Property together with, where appropriate, the value of investments in (a) unregulated collective investment schemes; and (b) any transferable securities which are not approved securities.

7.11. Any furniture, fittings or other contents of any building may be regarded as part of the relevant immovable.

8. Investment in warrants and nil and partly paid securities

8.1. Where the Company invests in a warrant, the exposure created by the exercise of the right conferred by the warrant must not exceed the limits set out in the COLL Sourcebook, in relation to spread (COLL 5.6.7 Spread: General; COLL 5.2.12R Spread: government and public securities).

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

8.3. A warrant which is an investment falling within article 80 of the Regulated Activities Order (certificates representing certain securities) and which is akin to an investment falling within article 79 (instruments giving entitlement to investments) of the Regulated Activities Order may not be included in the Scheme Property unless it is listed on an eligible securities market.

8.4. Currently the Company does not intend to invest in warrants. The Company may invest in warrants on the giving of not less than 60 days' notice to Shareholders by the ACD. Up to 5% of the value of the Scheme Property may be invested in warrants.

9. Investment in money market instruments

9.1. The Company may invest up to 100% in money market instruments which are normally dealt in on an eligible money market, are liquid and whose value can be accurately determined at any time.

9.2. In addition to instruments admitted to or dealt in on an eligible market, the company may invest in an approved money market instrument provided it fulfils the following requirements

9.2.1. the issue or issuer is regulated for the purpose of protecting investors and savings; and

9.2.2. it is issued or guaranteed by:

9.2.2.1. the money market instrument is issued or guaranteed by a central, regional or local authority, a central bank of the UK or of an EEA State, the Bank of England, the European Central Bank, the European Union or the European Investment Bank, a non-EEA State or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which the UK or one or more EEA States belong; or issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by UK or EU 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 UK or EU law; or

9.2.3. issued by a body, any securities of which are dealt in on an eligible market.

9.3. The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:

9.3.1. the instrument is an approved money-market instrument;

9.3.2. appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with COLL 5.2.10C R; and

9.3.3. the instrument is freely transferable.

9.4. Notwithstanding the above, up to 20% of the Scheme Property (when aggregated with holdings of transferable securities which are not approved securities) may be invested in money market instruments which do not meet these criteria.

10. Derivatives: general

The Portfolio Manager may employ derivatives for the purposes of Efficient Portfolio Management, further information on EPM is provided in section 11. To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated.

10.1. A transaction in derivatives or a forward transaction must not be effected for the Company unless the transaction is of a kind specified section 12 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by section 21 (Cover for investment in derivatives and forward transactions) of this Appendix III.

10.2. Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to spread (COLL 5.2.11R Spread: general, COLL 5.2.12R Spread: government and public securities) set out at sections 4 and 5 above except for index based derivatives where the rules below apply.

10.3. Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of calculating any limit in this section.

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

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

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

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

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

10.6. Where the Company invests in an index based derivative, provided the relevant index falls within COLL 5.6.23R (Schemes replicating an index), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.6.7R and 5.6.8R set out in sections 4 and 5 (relating to spread).

10.7. The relaxation in 10.6 above is subject to the ACD taking account of COLL 5.6.3 (Prudent spread of risk) set out in paragraph 1.1 above.

11. Efficient Portfolio Management (EPM)

11.1. The Company may enter into derivative and forward transactions for the purposes of Efficient Portfolio Management. EPM permits techniques and instruments which relate to transferable securities and approved money- market instruments and satisfy the following criteria:

11.1.1. the transaction must be economically appropriate;

11.1.2. the exposure on the transaction must be fully covered; and,

11.1.3. the transaction must be entered into for one of the following specific aims:

(a) the reduction of risk;

(b) the reduction of costs; or

(c) the generation of additional capital or income for the Company with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in COLL.

11.2. A transaction which is regarded as speculative will not be permitted. A list of the current eligible derivatives markets is set out in Appendix II. Further derivatives markets may be added following consultation with the Depositary in accordance with COLL.

11.3. A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by the Company and the ACD has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the relevant provisions in COLL.

11.4. Where a transaction is entered into for hedging purposes and relates to the actual or potential acquisition of transferable securities, the ACD must intend that the Company should invest in such transferable securities within a reasonable time and the ACD must ensure that, unless the position has itself been closed out, that intention is realised within such time.

12. Permitted transactions (derivatives and forwards)

12.1. A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 16 (OTC transactions in derivatives) of this Appendix.

12.2. A transaction in a derivative must have the underlying consisting of any one or more of the following to which the scheme is dedicated: transferable securities, money market instruments permitted under paragraph 9 (Investment in money market instruments), permitted deposits, derivatives and forward transactions permitted under this paragraph, collective investment scheme units permitted under paragraph 6 (Investment in collective investment schemes), financial indices which satisfy the criteria in COLL 5.2.20AR set out in section 13 below, interest rates, foreign exchange rates, and currencies.

12.3. The exposure to the underlyings in paragraph 12.2 above must not exceed the limits in paragraphs 4 and 5 (relating to spread) above.

12.4. A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market. A list of current eligible derivatives markets is set out in Appendix II. Further derivatives markets may be added following consultation with the Depositary in accordance with COLL

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

12.6. A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, money market instruments, units in collective investment schemes, or derivatives, provided that a sale is not to be considered as uncovered if the conditions in paragraph 12.2 are satisfied.

12.7. Any forward transaction must be with an Eligible Institution or an Approved Bank (as defined in the Glossary to the FCA Handbook).

12.8. The ACD must ensure compliance with COLL 5.3.3AR (Cover for investment in derivative and forward transactions), 5.3.3BR and 5.3.3CR (Daily calculation of global exposure) set out in paragraph 21 below.

13. Financial indices underlying derivatives

13.1. The financial indices referred to in paragraph 12.2 are those which satisfy the following criteria:

13.1.1. the index is sufficiently diversified;

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

13.1.3. the index is published in an appropriate manner.

13.2. A financial index is sufficiently diversified if:

13.2.1. it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

13.2.2. where it is composed of assets in which the Company is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and

13.2.3. where it is composed of assets in which the Company cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Appendix.

13.3. A financial index represents an adequate benchmark for the market to which it refers if:

13.3.1. it measures the performance of a representative group of underlyings in a relevant and appropriate way;

13.3.2. it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

13.3.3. the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

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

13.4.1. its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

13.4.2. material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

13.5. Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 12.2 be regarded as a combination of those underlyings.

14. Transactions for the purchase of property

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

15. Requirement to cover sales

15.1. No agreement by or on behalf of the Company to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Company by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Company at the time of the agreement.

15.2. This requirement does not apply to a deposit.

Guidance on Requirement to cover sales

15.3. The requirement in 15.1 above could be met where:

15.3.1. the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or

15.3.2. the ACD or the Depositary has the right to settle the derivative in cash and cover exists from within the scheme property of the Company, which falls within one of the following asset classes:

15.3.2.1. cash;

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

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

15.4. In the asset classes referred to in 15.3, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market.

16. OTC transactions in derivatives

16.1. Any transaction in an OTC derivative under paragraph 12 must be:

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

16.1.2. with an approved counterparty; A counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank (as defined in the Glossary to the FCA Handbook); or a person whose permission (including any requirements or limitations), as published in the Financial Services Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

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

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

16.1.4.1. on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or

16.1.4.2. if the value referred to in paragraph 16.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

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

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

16.1.5.2. a department within the ACD which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

16.1.6. For the purposes of paragraph 16.1.3, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

17. Risk management

17.1. The ACD uses a risk management process, enabling it to monitor and measure as frequently as appropriate the risk of the Company's positions and their contribution to the overall risk profile of the Company.

18. Investments in deposits

18.1. The company may invest in deposits only if it is with an approved bank, is repayable on demand; or has the right to be withdrawn; and matures in no more than 12 months.

19. Stock lending and repurchase transactions

19.1. The entry into stock lending transactions and repurchase for the account of the Company is permitted for the purposes of Efficient Portfolio Management.

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

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

19.4. The Company or the Depositary at the request of Company may enter into a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company, are in a form

which is acceptable to the Depositary and are in accordance with good market practice, the counterparty is an authorised person or a person authorised by a home state regulator, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Depositary, adequate and sufficiently immediate.

19.5. 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 plus a premium. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

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

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

20. Schemes replicating an index

20.1. The Company may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index as defined below. As at the date of this Prospectus, the Company does not seek to replicate an index.

20.2. The 20% limit can be raised up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.

20.3. The Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index where deviation from this is expedient for reasons of poor liquidity or excessive cost to the scheme in trading in an underlying investment.

20.4. The indices referred to above are those which satisfy the following criteria:

20.4.1. the composition is sufficiently diversified;

20.4.2. the index is a representative benchmark for the market to which it refers; and

20.4.3. the index is published in an appropriate manner.

21. Cover for investment in derivatives and forward transactions

21.1. The Company may invest in derivatives and forward transactions as long as the exposure to which the Company is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.

21.2. Cover ensures that the Company is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, the Company must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. Detailed requirements for cover of the Company are set out below.

21.3. A future is to be regarded as an obligation to which the Company is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which the scheme is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).

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

21.5. The ACD must ensure that its global exposure relating to derivatives and forward transactions held in the Company does not exceed the net value of the scheme property.

21.6. The ACD must calculate its global exposure on at least a daily basis.

21.7. For the purposes of this section, exposure must be calculated taking into account the current value for the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

22. Cover and Borrowing

22.1. Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 21 of this Appendix above except where 22.2 applies.

22.2. Where, for the purposes of this section the Company borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time on deposit with the lender (or their agent or nominee), then this applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

23. Cash and near cash

23.1. Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:

23.1.1. the pursuit of the Company's investment objectives; or

23.1.2. the redemption of shares; or

23.1.3. efficient management of the Company in accordance with its investment objective; or

23.1.4. other purposes which may reasonably be regarded as ancillary to the investment objective of the Company.

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

24. General

24.1. It is envisaged that the Company will normally be fully invested but there may be times that it is appropriate not to be fully invested when the ACD reasonably regards this as necessary in order to enable the redemption of units, efficient management of the Company or any one purpose which may reasonably be regarded as ancillary to the investment objective of the Company.

24.2. Where the Company invests in or disposes of units or shares in another collective investment scheme which is managed or operated by the ACD or an Associate of the ACD, the ACD must pay to the Company by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.

24.3. A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Company but, in the event of a consequent breach, the ACD must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Shareholders.

25. Underwriting

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

26. Borrowing powers

26.1. The Company may, subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the use of the Company on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the Company to comply with any restriction in the Instrument of Incorporation.

26.2. The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Company.

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

27. Restrictions on lending of property other than money

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

27.2. Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this rule prevents the Company or the Depositary at the request of the Company; from lending, depositing, pledging or charging Scheme Property for margin requirements; or transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

28. Restrictions on lending of money

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

28.2. Acquiring a debenture is not lending for the purposes of paragraph 28.1, nor is the placing of money on deposit or in a current account.

29. Guarantees and indemnities

29.1. The Company or the Depositary, for the account of the Company, must not provide any guarantees or indemnity in respect of the obligation of any person.

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

29.3. Paragraphs 29.1 and 29.2 do not apply to any indemnity or guarantee given for margin requirements where derivatives or forward transactions are being used in accordance with COLL 5 and;

29.3.1. an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

29.3.2. an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

29.3.3. an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the company and the holders of units in that scheme become the first shareholders of the company.

30. Leverage

30.1. This section explains in what circumstances and how the ACD may use leverage in respect of the Company where the investment policy of the Company permits its use of leverage, the different leverage calculation methods and maximum level of leverage permitted.

30.2. Leverage when used in this prospectus means the following sources of leverage can be used when managing the Company:

30.2.1. cash borrowing, subject to the restrictions set out in paragraph 21 ("Borrowing") of this Annex;

30.2.2. financial derivative instruments and reinvestment of cash collateral in the context of securities lending, subject in each case to paragraphs 10 ("Derivatives – general"), 12 ("Permitted transactions (derivatives and forwards)"), 14 ("Transactions for the purchase of property"), 15 ("Requirement to cover sales"), 16 ("OTC transactions in derivatives"), 21 ("Cover for investments in derivatives and forward transactions") and 22 ("Borrowing") of this Annex.

30.3. The ACD is required to calculate and monitor the level of leverage of the Company, expressed as a ratio between the exposure of the Company and its Net Asset Value (Exposure/NAV), under both the gross method and the commitment method (so for the Company with no borrowing or derivative usage the leverage ratio would be 1:1).

30.4. Under the gross method, the exposure of the Company is calculated as follows:

30.4.1. include the sum of all assets purchased, plus the absolute value of all liabilities;

30.4.2. exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Company, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;

30.4.3. derivative instruments are converted into the equivalent position in their underlying assets;

30.4.4. exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;

30.4.5. include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and

30.4.6. include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

30.5. Under the commitment method, the exposure of the Company is calculated as follows:

30.5.1. include the sum of all assets purchased, plus the absolute value of all liabilities;

30.5.2. derivative instruments are converted into the equivalent position in their underlying assets;

30.5.3. apply netting and hedging arrangements;

30.5.4. calculate the exposure created through the reinvestment of borrowings where such reinvestment increases the exposure of the Company;

30.5.5. include other arrangements that increase the exposure of the Company.

30.6. The maximum level of leverage which the Company may employ, calculated in accordance with the gross and commitment methods, is stated in Appendix I.

30.7. In addition, the total amount of leverage employed by the Company will be disclosed in the Company's annual report.

APPENDIX IV

LIST OF OTHER INTERESTS OF DIRECTORS AND OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE ACD

Directors of the ACD and their significant business activities not connected with the business of the Company as at 1st August 2026	
Anne Laing	None
Jeremy Brettell	Non-Executive Director: - Anderson Strathern Asset Management Ltd - Chair of Alba Co Ltd - Foster Denovo Ltd - Foster Denovo Group Ltd Risk Consultant: Vertus Collective Ltd
Aidan O'Carroll	Chair of Revenue Scotland Chair of The Water Industry Commission for Scotland.
Andrew Lewis	Non-Executive Director: Apex Depositary UK Ltd Non-Executive Director & Chair: BlackRock Fund Managers Ltd
John Brett	Non-Executive Director (and Chair): - Royal London Unit Trust Managers Limited - RLUM Limited - Anderson Strathern Asset Management Ltd Non-Executive Director: - TrinityBridge Ltd
Adrian Bond	None
Jonathan Sim	Chair: - Opmodal Ltd Director: - Balthazar Consulting Ltd

AUTHORISED COLLECTIVE INVESTMENT SCHEMES OF WHICH THE ACD IS THE AUTHORISED CORPORATE DIRECTOR			
Name	**Place of Registration**	**Registration Number**	**Product Reference**
Alligator Fund ICVC	England and Wales	IC000203	407790
The Beagle Fund*	England and Wales	IC000789	505177
The Discovery Fund	England and Wales	IC000365	413970
The Mulben Investment Funds	England and Wales	IC000816	516628
The Teal Fund	England and Wales	IC000257	227831
The VT Cindabbella Fund	England and Wales	IC001049	714901
Valu-Trac Investment Funds ICVC	Scotland	IC000953	581955
VT AI-FUNDS ICVC	England and Wales	IC016426	913889
VT Aspen Asset Management	England and Wales	IC293866	1032084
VT Asset Intelligence Fund Solutions ICVC*	England and Wales	IC035155	940231
VT Astute Funds ICVC	England and Wales	IC029376	928663
VT Avastra Funds	England and Wales	IC000854	532059
VT Brompton Funds ICVC	England and Wales	IC001077	762880
VT Cantab Funds ICVC	England and Wales	IC001114	808050
VT Chelsea Managed ICVC	England and Wales	IC001085	773989
VT Dominium Holdings ICVC*	England and Wales	IC001093	778841
VT Downing Investment Funds ICVC	England and Wales	IC000824	521374
VT Evelyn Partners Investment Funds	England and Wales	IC017239	914471
VT Freedom UCITS OEIC	England and Wales	IC031441	932492

VT Garraway Investment Fund Series IV	England and Wales	IC000534	465988
VT Greystone ICVC	England and Wales	IC000403	434235
VT Greystone Cautious Managed ICVC*	England and Wales	IC000407	435265
VT Greystone Conservative Managed ICVC*	England and Wales	IC000533	465365
VT Halo Funds ICVC	England and Wales	IC001018	629070
VT Highlight ICVC	England and Wales	IC011866	841768
VT Holland Advisors Funds ICVC	England and Wales	IC040266	947634
VT Investor Funds ICVC	England and Wales	IC024590	921279
VT Johnston Financial Funds ICVC	England and Wales	IC027796	926097
VT Momentum Investment Funds	England and Wales	IC000851	531222
VT Momentum Investment Funds II	England and Wales	IC000342	407990
VT Munro Funds	England and Wales	IC000551	467964
VT North Capital Funds ICVC	England and Wales	IC026575	924848
VT Plain English Finance Funds ICVC	England and Wales	IC001096	782737
VT PortfolioMetrix Funds ICVC	England and Wales	IC035161	940234
VT Portfolio Solutions ICVC	England and Wales	IC030801	931577
VT Price Value Partners Funds ICVC	England and Wales	IC001033	671132
VT Redlands Funds	England and Wales	IC001043	694999
VT Redlands NURS ICVC*	England and Wales	IC001089	776548
VT RM Funds ICVC	England and Wales	IC001108	800855
VT Rossie House Investment Management Funds ICVC*	England and Wales	IC000991	607962
VT Shackleton ICVC	England and Wales	IC001105	794635

VT SG Defined Return Assets ICVC	England and Wales	IC001097	784172
VT Sorbus Vector Funds ICVC	England and Wales	IC001059	731963
VT Teviot Funds ICVC	England and Wales	IC001094	780433
VT Tyndall Funds ICVC	England and Wales	IC001050	715282
VT Ursus Arctos Funds ICVC	Scotland	IC001004	613236
VT Vanneck Funds ICVC	England and Wales	IC001112	806954
VT Vanneck Global Equity Income Fund	England and Wales	IC001003	613235
VT WHI Investment Fund	England and Wales	IC000584	472521
VT Woodhill Investment Funds ICVC	England and Wales	IC001009	618204

** Denotes a Non-UCITS Retail Scheme*

APPENDIX V

PAST PERFORMANCE AND INVESTOR PROFILE

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Please note that all performance information is at 31 December each year. For more up-to-date performance information, please contact the ACD.

Past performance is no indication of future performance.

	2018 %	2019 %	2020 %	2021 %	2022 %	2023 %	2024 %	2025 %
THE BEAGLE FUND	-10.6	22.8	36.5	14.1	-30.7	14.9	17.5	-8.9

Percentage cumulative performance, income shares, (total return), based on previous ACD data.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

NOTE: Past performance should not be taken as a guide to the future. Please see Appendix I for the Company's objective and below for an explanation of investor profile.

Investor profile

The Company is marketable to all eligible investors provided they can meet the minimum subscription levels. The Company may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets. It may be suitable for investors wishing to seek to achieve defined investment objectives. Such investors must have experience with, or understand, products where the capital is at risk. Investors must be able to accept some risk to their capital, thus the Company may be suitable for investors who are looking to set aside the capital for at least five years. If you are uncertain whether this product is suitable for you, please contact a professional adviser.

The Company may be suitable for those investors wishing to achieve long- term capital and income growth by investing in global equity and/or bond markets.

APPENDIX VI

DIRECTORY

The Company Head Office:
Level 4 Dashwood House
69 Old Broad Street
London
EC2M 1QS

Authorised Corporate Director:
Valu-Trac Investment Management Limited
Mains of Orton
Orton
Moray
IV32 7QE

Depositary:
The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London
EC4V 4LA

Portfolio Manager:
Meridiem Investment Management Limited
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

Registrar:
Valu-Trac Investment Management Limited
Mains of Orton
Orton
Moray
IV32 7QE

Auditors:
Johnston Carmichael LLP
Strathlossie House
Elgin Business Park
Kirkhill Avenue
Elgin
IV30 8DE