

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

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

**PROSPECTUS**  
**OF**  
**CLOSE OLIM UK EQUITY INCOME FUND**  
**(A UCITS scheme)**

This document constitutes the Prospectus for Close OLIM UK Equity Income Fund which has been prepared in accordance with the Collective Investment Schemes Sourcebook.

This Prospectus is dated, and is valid as at, 16 October 2016.

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Trustee.

## Contact Details

### WHAT ARE CLOSE ASSET MANAGEMENT (UK) LIMITED'S CONTACT DETAILS?

Close Asset Management (UK) Limited (The Manager)

PO Box 367

Darlington

DL1 9RG

Telephone: 0370 606 6452

### HOW DO I CONTACT THE FINANCIAL CONDUCT AUTHORITY?

Close Assset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

The FCA can be contacted at:

25 The North Colonnade, Canary Wharf, London, E14 5HS

From UK: 0845 606 1234 (local call rates)

Website: [www.fca.org.uk](http://www.fca.org.uk)

Email: [consumer.queries@fca.org.uk](mailto:consumer.queries@fca.org.uk)

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## **Important Information**

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

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Trust 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 Units 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 Trust and the Manager have not been and will not be registered in the United States of America under any applicable legislation.

The United Kingdom has entered into intergovernmental information exchange agreements with the United States (FATCA) and other countries. Consequently, the Manager may be required to collect and/or report information about the Unitholders or the Manager may elect to do so if it determines this is in the interests of Unitholders generally. This may include information to verify the identity of Unitholders or their tax status. The Manager may pass this information to HM Revenue & Customs or, if necessary, overseas government agencies (including those outside the EEA).

Unitholders should be prepared to provide information, upon request from the Manager or its delegate, so that it may be passed on to HM Revenue & Customs or, if necessary, overseas government agencies.

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

The provisions of the Trust Deed are binding on each of the Unitholders and a copy of the Trust Deed is available on request from Close Asset Management (UK) Limited.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Close Asset Management (UK) 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 Manager cannot be bound by an out of date Prospectus when a new version has been issued and investors should check with Close Asset Management (UK) Limited that this is the most recently published prospectus.

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

1. **DEFINITIONS**

**“Approved Bank”**

(in relation to a bank account opened by the Manager):

- (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 other than in the United Kingdom and duly authorised by the relevant Home State Regulator; or
  - (iii) a bank which is regulated in the Isle of Man or the Channel Islands; or
  - (iv) a bank supervised by the South African Reserve Bank.

**“Administrator”**

The Bank of New York Mellon (International) Limited, or such other entity as is appointed to act as administrator and registrar of the Trust from time to time;

**“Associate”**

Any person whose business or domestic relationship with the Manager or the Manager’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.

**“Auditor”**

Deloitte LLP, or such other entity as is appointed to act as auditor to the Trust from time to time.

**“Business Day”**

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

**“Class” or “Classes”**

in relation to Units, means (according to the context) a particular class or classes of Unit.

**“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.

**“Dealing Day”**

Monday to Friday where these days are business days.

**“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, means an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of costs or generation of additional income for the Fund with a risk level which is consistent with the risk profile of the Fund 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.

**“the FCA”**

the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time.

**“the FCA Handbook”**

the FCA Handbook, as amended from time to time.

**“the FCA 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.

**“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 his

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).

<b>"Investment Manager"</b>	OLIM Limited, the investment manager to the Manager in respect of the Trust.
<b>"IOSCO"</b>	The International Organisation of Securities Commissions.
<b>"Manager"</b>	Close Asset Management (UK) Limited, the manager of the Trust.
<b>"NAV" or "value"</b>	the value of the Scheme Property less the liabilities of the Trust as calculated in accordance with the Trust Deed.
<b>"OTC derivative"</b>	Over-the-counter derivative: a derivative which is not traded on an investment exchange.
<b>"Register"</b>	the register of Unitholders of the Trust.

<b>“Regulated Activities Order”</b>	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).
<b>“Regulations”</b>	the FCA Handbook (including the COLL Sourcebook).
<b>“Scheme Property”</b>	the scheme property of the Trust required under the COLL Sourcebook to be given for safekeeping to the Trustee.
<b>“Switch”</b>	the exchange where permissible of Units of one Class for Units of another Class.
<b>“Trust Deed”</b>	the Trust deed constituting the Trust, as amended from time to time in accordance with the COLL Sourcebook.
<b>“Trust”</b>	Close OLIM UK Equity Income Fund.
<b>“Trustee”</b>	BNY Mellon Trust & Depositary (UK) Limited, or such other entity as is appointed to act as Trustee.
<b>“UCITS Scheme”</b>	a scheme 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).
<b>“Unit” or “Units”</b>	a unit or units in the Trust.
<b>“Unitholder”</b>	a holder of registered Units in the Trust.
<b>“Valuation Point”</b>	the point, on a Dealing Day whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Scheme Property for the Trust for the purpose of determining the price at which Units of a Class may be issued, cancelled or redeemed. The current Valuation Point is 12:00 noon 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 Manager and the Trustee.

**“VAT”**

Value Added Tax.

## 2. **DETAILS OF THE TRUST**

### 2.1 **General Information**

#### 2.1.1 **General**

Close OLIM UK Equity Income Fund (the Trust) is a unit trust authorised by the Financial Conduct Authority with effect from 26 November 2001. The Trust has an unlimited duration.

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

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

#### 2.1.2 **Base Currency**

The base currency of the Trust is Pounds Sterling.

#### 2.1.3 **Units**

Units in the Trust may be marketed in other Member States and in countries outside the European Union and European Economic Area, subject to the Regulations, and any regulatory constraints in those countries, if the Manager so decides.

The Trust is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of the Trust may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or switching of, Units, 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 Trust. For these purposes, the Manager may consider an investor's trading history in the Trust or other Close Asset Management (UK) Limited funds and accounts under common ownership or control.

### 2.2 **The structure of the Trust**

#### 2.2.1 **The Trust**

The Trust is a UCITS scheme.

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

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

### 2.2.2 **Units**

#### **Classes of Units within the Trust**

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

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

Further Classes of Unit may be established from time to time by the Manager with the agreement of the Trustee and in accordance with the Trust Deed 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 currency in which each new Class of Units will be denominated will be determined at the date of creation and set out in the Prospectus issued in respect of the new Class of Units.

The Trust issues income and accumulation Units. Further details of the Units presently available, including details of their criteria for subscription and fee structure, are set out in Appendix I.

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

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

The Trust Deed allows gross income and gross accumulation Units to be issued, as well as net income and net accumulation Units, but currently no gross Units are in issue. Net Units are Units in respect of which

income allocated to them is distributed periodically to the relevant Unitholders (in the case of income Units) or credited periodically to capital (in the case of accumulation Units), in either case in accordance with relevant tax law, net of any tax deducted or accounted for by the Trust. Gross Units are income or accumulation Units where, in accordance with relevant tax law, distribution or allocation of income is made without any tax being deducted or accounted for by the Trust. All references in this Prospectus are to net Units unless otherwise stated.

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

Unitholders are entitled (subject to certain restrictions) to Switch all or part of their Units in a Class for Units of another Class. Details of this switching facility and the restrictions are set out in paragraph 3.4 "Switching".



### 3. **BUYING, REDEEMING AND SWITCHING UNITS**

Units may be purchased and redeemed between 9 a.m. and 5 p.m. London time on each Dealing Day. Applications to purchase or redeem Units may be made to the Manager's dealing department as follows: Close Asset Management (UK) Limited, Capital House, Festival Square, Edinburgh EH3 9SU, telephone: 0870 606 6402, fax: 01277 231004 or by electronic means on such terms as the Manager may specify, or by such other means as the Manager may from time to time permit. The initial purchase must, at the discretion of the Manager, be accompanied by an application form.

Telephone calls will be recorded. The Manager may also, at its discretion, introduce further methods of dealing in Units in the future. At present, transfer of title by electronic communication is not accepted.

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

#### 3.1 **Money Laundering**

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

#### 3.2 **Buying Units**

##### 3.2.1 **Procedure**

Units may be bought directly from the Manager or through a professional adviser or other intermediary. For details of dealing charges see paragraph 3.6 below. Application forms may be obtained from the Manager.

Valid applications to purchase Units in the Trust will be processed at the Unit price calculated, in accordance with the Regulations, at the next Valuation Point following receipt of the application, except in the case

where dealing in the Trust has been suspended as set out in paragraph 3.11.

Settlement is due within 4 business days of the Valuation Point. An order for the purchase of Units will only be deemed to have been accepted by the Manager once it is in receipt of cleared funds for the application.

A cheque should be sent for the net amount, made payable to "Close Asset Management (UK) Limited", at: PO Box 367, Darlington DL1 9RG.

The Manager, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue (being more than five business days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the applicant. In the event of such a sale or realisation, the Manager shall be entitled to transfer such investments to such persons as it shall specify and, recover any shortfall from that investor. The Manager is not obliged to issue Units unless it has received cleared funds from an investor.

The Manager 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 4th business day following the Valuation Point. No interest will be paid on funds held prior to investment. Units that have not been paid for cannot be redeemed.

A purchase of Units in writing or by telephone or any other communication media made available is a legally binding contract. Applications to purchase, once made are, except in the case where cancellation rights are applied, irrevocable. For postal applications payment in full must accompany the instruction. At the Manager's discretion, payment for large purchases of Units may be made by telegraphic transfer.

However, subject to its obligations under the Regulations, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant.

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

in value will be deducted from the sum originally invested. The Manager may extend cancellation rights to other investors but is under no obligation to do so.

### 3.2.2 **Documents the buyer will receive**

A confirmation giving details of the number and price of Units bought will be issued no later than the end of the business day following the 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 Units can only be completed by the Manager upon receipt of any required registration details. These details may be supplied in writing to the Manager or by returning to the Manager the properly completed registration form and copy of the confirmation.

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

### 3.2.3 **Minimum Subscriptions and Holdings**

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

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

## 3.3 **Redeeming Units**

### 3.3.1 **Procedure**

Every Unitholder is entitled on any Dealing Day to redeem its Units, which shall be purchased by the Manager dealing as principal.

Valid instructions to the Manager to redeem Units will be processed at the Unit price calculated, calculated in accordance with the Regulations at the next Valuation Point following receipt of the instruction, except in

the case where dealing in the Trust has been suspended as set out in paragraph 3.11.

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

For details of dealing charges see paragraph 3.6 below.

### 3.3.2 **Documents a redeeming Unitholder will receive**

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

Payment of redemption proceeds will normally be made by cheque to the first named Unitholder (at their risk), or, at the Manager's discretion, via telegraphic transfer in accordance with any instruction received (the Manager 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 Manager of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Unitholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the Manager of the request to redeem.

No interest will be paid on funds held whilst the Manager awaits receipt of all relevant documentation necessary to complete a redemption. Units that have not been paid for cannot be redeemed.

### 3.3.3 **Minimum Redemption**

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

### 3.4 **Delivery Versus Payment ("DvP") Exemption**

The Manager may make use of the DvP exemption as set out in the FCA Handbook, which provides for a one-day window during which money held for the purposes of settling a transaction in Units is not treated as 'client money'. Specifically, under the DvP exemption, money received by the Manager from an investor, or money due to be paid to an investor by the Manager, need not be treated as client money if: (i) the Manager receives the money from an investor for the subscription of Units and the money is passed to the Trustee for the purpose of creating Units in the Trust within the timeframes set out in the FCA Handbook; or (ii) the Manager holds the money in the course of redeeming Units provided that the proceeds of that redemption are paid to an investor within the timeframes set out in the FCA Handbook.

### 3.5 **Switching**

Subject to any restrictions on the eligibility of investors for a particular Unit Class, a Unitholder may at any time Switch all or some of his Units of one Class ("the Original Units") for Units of another Class ("the New Units") in the Trust. The number of New Units issued will be determined by reference to the respective prices of New Units and Original Units at the Valuation Point applicable at the time the Original Units are redeemed and the New Units are issued.

Telephone switching instructions may be given but Unitholders are required to provide written instructions to the Manager (which, in the case of joint Unitholders, must be signed by all the joint Unitholders) before switching is effected.

If a partial Switch would result in the Unitholder holding a number of Original Units or New Units of a value which is less than the minimum holding in the Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Original Units to New Units (and make a charge on switching on such conversion) or refuse to effect any Switch of the Original Units. 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 Manager before the Valuation Point on a Dealing Day in the Trust to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the Manager at the request of the Unitholder 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 Manager may adjust the number of New Units 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 Units or redemption of the Original Units as may be permitted pursuant to the COLL Sourcebook.

The Manager does not currently make a charge on switching between Unit classes.

**A Unitholder who Switches Units in one Class for Units in any other Class will not be given a right by law to withdraw from or cancel the transaction.**

### 3.6 Dealing Charges

The price per Unit at which Units are bought, redeemed or switched is calculated in accordance with the Regulations.

#### 3.6.1 Initial Charge

The Manager does not impose a charge on the purchase of Units in any Class.

#### 3.6.2 Redemption Charge

The Manager does not make a charge on the redemption of Units in each Class.

The Manager may only introduce a redemption charge in accordance with the Regulations. If such a charge was introduced, it would not apply to Units issued before the date of the introduction (i.e., those not previously subject to a redemption charge).

### 3.7 Transfers

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

### 3.8 Restrictions and Compulsory Transfer and Redemption

The Manager may from time to time take such action and impose such restrictions as it may think necessary for the purpose of ensuring that no Units are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Trust incurring any liability to taxation which

the Trust is not able to recoup itself or suffering any other adverse consequence. In this connection, the Manager may, inter alia, reject in its discretion any application for the purchase, redemption, transfer or Switching of Units.

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

- (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) would result in the Trust incurring any liability to taxation which the Trust would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (c) are held in any manner by virtue of which the Unitholder or Unitholders in question is/are not qualified to hold such Units or if it reasonably believes this to be the case;

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

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

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

### **3.9 Issue of Units in Exchange for in Specie Assets**

The Manager may arrange for the Trust to issue Units in exchange for assets other than cash, but will only do so where the Trustee has taken reasonable care to

determine that the Trust's acquisition of those assets in exchange for the Units concerned is not likely to result in any material prejudice to the interests of Unitholders.

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

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

### 3.10 **In Specie Redemptions**

If a Unitholder requests the redemption of Units the Manager may, where it considers that deal to be substantial in relation to the total size of the Trust or in some way detrimental to the Trust, arrange for scheme property having the appropriate value to be transferred to the Unitholder (an 'in specie transfer'), in place of payment for the Units in cash.

The Manager will select the property to be transferred in consultation with the Trustee. The Manager and Trustee must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Unitholder requesting the redemption than to the continuing Unitholders.

### 3.11 **Deferred redemptions of Units**

If requested redemptions of Units in The Trust on a particular Dealing Day exceed 10% of the Trust's value, redemptions of Units may be deferred to the next Valuation Point. Any such deferral will only be undertaken in such manner as to ensure consistent treatment of all Unitholders who had sought to redeem Units at the Valuation Point at which redemptions were deferred. Deferral will be pro-rated based on the value of Units being redeemed (provided that the Manager may determine in its discretion a value threshold below which all redemptions will be effected, and above which the foregoing pro-rata deferral shall apply), and so that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

The intention of the deferred redemption provisions is to reduce the impact of dilution on the Trust. In times of high levels of redemption, deferred redemption provisions would enable the Manager to protect the interest of continuing Unitholders by allowing it to match the sale of a property of the Trust to the levels of redemptions of Units in the Trust.

### 3.12 **Suspension of Dealings in the Trust**

The Manager may, with the prior agreement of the Trustee, and must without delay if the Trustee so requires temporarily suspend the issue, cancellation, sale



and redemption of Units in the Trust where due to exceptional circumstances it is in the interests of all the Unitholders in the Trust.

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

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

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

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

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

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

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

### 3.13 **Large Deals**

Any purchase or redemption of Units with a value equal to or in excess of £250,000 will amount to a "large deal". For large deals (subject to the Regulations), the Manager may sell Units at more than, or redeem Units at less than, the published price.

### 3.14 **Governing Law**

All deals in Units are governed by the law of Scotland.

## 4. VALUATION OF THE TRUST

### 4.1 General

The Trust will be valued in accordance with the provisions set out in Appendix III. The value per Unit in the Trust is currently calculated at 12.00 noon (London time) (this being the Valuation Point) on each Dealing Day.

### 4.2 Calculation of the Value

Valuations of the Trust will take place on each Dealing Day at the Valuation Point for the purposes of determining prices of which Units may be bought or sold to the Manager being calculated on mark to market basis.

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

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

"Late Trading" is defined as the acceptance of a subscription, redemption or Switch order received after the Trust's applicable valuation point for that Dealing Day. Late Trading is not permitted. A request for dealing in Units must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the value per Unit calculated as at the Valuation Point on that next Dealing Day.

### 4.3 Price per Unit in Each Class

Units are priced on a single mid-market pricing basis in accordance with the COLL Sourcebook and the Trust Deed. The price of a Unit is the net asset value of a Fund attributable to the relevant Unit Class of that Fund divided by the number of Units in that class in issue.

#### 4.4 **Pricing Basis**

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

#### 4.5 **Dilution Adjustment**

The basis on which the Trust's investments are valued for the purpose of calculating the price of Units as stipulated in the FCA Rules and the Trust Deed is summarised in the section above. This is subject to the application of the dilution policy.

Dealing costs in, and spreads between, the buying and selling prices of a Fund's underlying investments mean that the buying and selling prices of Units calculated for the Trust may differ from the value of the proportionate interests those Units represent in the Fund and dealing at those prices could lead to a reduction in the value of the scheme property of the Trust and so disadvantage other Unitholders. The effect of this is known as "dilution". The Manager may apply a dilution adjustment as explained below.

In order to mitigate the effect of dilution the COLL Sourcebook allows the Manager to adjust the sale and purchase price of Units in the Trust to take into account the possible effects of dilution. This price movement is known as making a "dilution adjustment" or operating "single swinging pricing". The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Trust. The dilution adjustment is not applied for the benefit of the Manager.

The dilution adjustment is calculated using the estimated dealing costs of the Trust's underlying investments and taking into consideration any dealing spreads, commissions and transfer taxes. The need to make a dilution adjustment will depend on the difference between the value of Units being acquired and the value of Units being redeemed. The Manager's current policy is that where this difference is more than 1% of the Trust's total Net Asset Value, determined by reference to the Trust's Unit price calculated on the previous Dealing Day, then the Manager will normally make a dilution adjustment.

Where the Trust is experiencing net acquisitions of its Units the dilution adjustment would increase the price of Units above their mid-market value. Where the Trust is experiencing net redemptions of its Units the dilution adjustment would decrease the price of Units to below their mid-market value. In the event that a dilution adjustment is made it will be applied to all transactions in the Trust on the relevant Dealing Day and all transactions on that day will be dealt at a price inclusive of the dilution adjustment.

The Manager reserves the right however not to impose a dilution adjustment in exceptional circumstances where it would, in its opinion, not be in the interests of Unitholders to do so.

The Manager's decision on whether or not to make this adjustment, and at what level this adjustment might be made in a particular case or generally, will not prevent it from making a different decision on future similar transactions.

On the occasions when a dilution adjustment is not applied if the Trust is experiencing net purchases or net sales of Units there may be an adverse impact on the assets of the Trust attributable to each underlying Unit, although the Manager does not consider this to be likely to be material in relation to the potential future growth in value of a Unit.

The dilution adjustment will be applied to the mid price for the Units resulting in a figure calculated to four significant figures. The price of each Class of Unit will be calculated separately but any dilution adjustment will in percentage terms affect the price of Units of each Class identically.

As dilution is directly related to the inflows and outflows of monies from the Trust it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Manager will need to make a dilution adjustment. The estimated rate of a dilution adjustment is expected not to exceed 2% of the value of the Scheme Property.

#### 4.6 **Publication of Prices**

The Unit prices will be available daily on the website of the Manager [www.closebrothersam.com](http://www.closebrothersam.com) or at [www.fundlistings.co.uk](http://www.fundlistings.co.uk). In addition, prices can be obtained by calling the Manager's help desk on 0870 606 6452. Calls to this number may be recorded.

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

## 5. **RISK FACTORS**

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

### 5.1 **General**

The investments of the Trust are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur.

The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in the Trust. There is no certainty that the investment objective of the Trust will actually be achieved and no warranty or representation is given to this effect. The level of any yield for the Trust 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 **Dilution**

The Trust may also experience a reduction in value as a result of the costs incurred in the purchase and sale of its underlying investments and the spread between buying and selling prices of such investments. Accordingly, the Manager may apply a dilution adjustment on the issue and/or redemption of Units. Where a dilution adjustment is not applied, the Trust may incur dilution which may constrain capital growth.

### 5.3 **Charges to Capital**

Where the investment objective of a fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the manager's fee may be charged against capital instead of against income. For the Trust, the Manager's fee is taken from capital which will increase the amount of income (which may be taxable) available for distribution, but will erode capital and may constrain capital growth.

### 5.4 **Suspension of Dealings in Units**

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

### 5.5 **Valuation Risk**

By investing in the Trust, Unitholders gain exposure to the return from the underlying investments of the Trust. With a view to achieving fair Unit pricing,

the value of Units is calculated in sterling on a single mid-market pricing basis at 12:00pm London time on each Dealing Day. For certain Scheme Property, the Manager's best estimate of a fair and reasonable market value may prove to be incorrect. For other investments, use of a market price may prove to be generally appropriate. If there is a risk of divergence of Unit prices from a fair value of the underlying assets, the Manager will monitor this and will seek to take appropriate action to minimise dilution to the Trust with a view to balancing the interests of incoming, outgoing and remaining investors.

## **5.6 Credit and Fixed Interest Securities**

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

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of 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.

## **5.7 Counterparty and Settlement**

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

## **5.8 Delivery Versus Payment Transactions**

The Manager may apply the Delivery versus Payment ("DvP") exemption, as set out in the provisions of the FCA Handbook governing the protection of client assets ("Client Asset Rules"). Usually, when the Manager receives investors' money in the course of settling transactions, the Manager is obliged to handle money received or held for the purposes of buying or selling securities and investments ("Client Money") in accordance with the Client Asset Rules, which amongst other provisions require the Manager to segregate Client Money from the assets of the Trust and the Manager. The DvP exemption provides for a one day window during which money held for the purposes of settling a transaction in Units is not treated as Client Money. In the event that the Manager becomes insolvent or otherwise fails there is a risk of loss or delay in the return of any money held by the Manager which is not treated as Client Money. Money which is not treated as Client Money is not protected on the insolvency of the Manager.

The Trustee has a duty to ensure that it safeguards and administers the Scheme Property in compliance with the Client Asset Rules. The Trustee is not under a duty to comply with the provisions of the FCA Handbook with regard to handling Client Money. Moreover, with respect to handling Scheme Property in the course of DvP transactions through a commercial settlement system (“CSS”), the Scheme Property may not be protected under the Client Asset Rules. In the event that the Trustee becomes insolvent or otherwise fails, there is a risk of loss or delay in return of any Scheme Property which consists of Client Money, client assets held in a CSS or any other client assets which the Trustee or any of its delegates is not required or has failed to hold in accordance with the Client Asset Rules.

#### 5.9 **Tax**

Tax laws currently in place may change in the future which could affect the value of your investments. See the section headed ‘Taxation’ in this Prospectus for further details about taxation of the Trust.

#### 5.10 **Inflation and Interest Rates**

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

#### 5.11 **Custody**

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

#### 5.12 **Currency Exchange Rates**

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

#### 5.13 **Liquidity**

Depending on the types of assets the Trust 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.

## 6. MANAGEMENT AND ADMINISTRATION

### 6.1 Regulatory Status

The Manager, the Trustee and the Investment Manager are authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS.

### 6.2 Manager

#### 6.2.1 General

The Manager is Close Asset Management (UK) Limited which is a private company limited by shares incorporated in England and Wales on 6 December 1994 with registered number 2998803.

The directors of the Manager are:

M Andrew

R I Curry

E. B. Davies

R Smith

C Duggan

No director is engaged in any significant business activity not connected with the business of the Manager or other Close Brothers Group plc subsidiaries.

**Registered Office:** 10 Crown Place, London, EC2A 4FT

**Principal Place of Business:** 10 Exchange Square, Primrose Street, London EC2A 2BY

**Share Capital:** The issued share capital of the Manager is £500,000 all of which is fully paid up.

**Ultimate Holding Company:** Close Brothers Group plc, a company incorporated in England and Wales on 3 June 1953 with registered number 520241.

The Manager is responsible for managing and administering the Trust's affairs in compliance with the COLL Sourcebook. The Manager may delegate its management and administration functions, but not



responsibility, to third parties, including Associates subject to the rules in the COLL Sourcebook.

It has therefore delegated to the Investment Manager the function of managing and acting as the investment adviser for the investment and reinvestment of the assets of the Trust (as further explained in paragraph 6.4 below). It has also delegated to the Registrar certain functions relating to the register (as further explained in paragraph 6.5 below).

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

The Manager is required to have a Remuneration Code (“the Code”) that is in accordance with the requirements of SYSC 19E of the FCA Rules relating to the way in which it remunerates staff.

The Code is designed to ensure that the Manager’s remuneration practices, for those staff caught by the applicable rules:

- are consistent with and promote sound and effective risk management;
- do not encourage risk taking and are consistent with the risk profiles, or the constitutional documents of the UCITS funds it manages;
- do not impair the Manager’s compliance with its duty to act in the best interests of those funds; and
- include fixed and variable components of remuneration including salaries and discretionary pension benefits.

When applying the Code, the Manager will comply with the applicable rules in a way, and to the extent, that is appropriate to the size, internal organisation and the nature, scope and complexity of the Manager’s activities.

The Code must include measures to avoid conflicts of interest and be in line with the business strategy, objectives, values and interests of:

- the Manager;
- the UCITS funds it manages; and
- the unitholders.

Full and up-to-date details of the Code are available on the website of the Manager: [www.closebrothersam.com/funds](http://www.closebrothersam.com/funds). This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy of that website information will be made available free of charge on request to the Manager.

## 6.3 The Trustee

### 6.3.1 General

BNY Mellon Trust & Depositary (UK) Limited is the Trustee of the Trust.

The Manager has appointed the Trustee to act as depositary for purposes of Directive 2009/65/EC of the European Parliament and European Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (the "UCITS V Directive"), as supplemented by the Level 2 Regulations adopted as delegated acts by the European Commission pursuant to Article 112a of the UCITS V Directive, following their entry into full legal force and effect in the European Union (and for the avoidance of doubt, following the expiration of any implementation period applicable to such regulations) (the "UCITS V Regulations"), and as incorporated into English law by any Statutory Instrument as may be issued from time to time to implement the UCITS V Directive in the UK (the "UK Implementing Legislation"). References hereinafter to the "Directive" shall include the UCITS V Directive as supplemented by the UCITS V Regulations and as incorporated into English law by the UK Implementing Legislation, and any other implementing legislation on an EU or UK level.

The Trustee is a private company limited by shares incorporated in England and Wales on 25 June 1998. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered office of the Trustee is at The Bank of New York Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA and its principal place of business is at One Canada Square, London E14 5AL.

*Duties of the Trustee*

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

#### *Conflicts of interest*

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

“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 or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002.

#### *The Trust, the Manager, the Trustee and unitholders*

The following conflicts of interests may arise between the Trustee, the Trust, unitholders and the Manager:

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

To the extent that a Link exists between the Trustee and any unitholders in the Trust, the Trustee 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.

#### *Delegation*

The following conflicts of interests may arise as a result of the delegation arrangements relating to safekeeping outlined below:

A Group Link where the Trustee has delegated the safekeeping of the Scheme Property to an entity within the same corporate group as the Trustee.

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

#### *Delegation of Safekeeping Functions*

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

The Trustee has delegated safekeeping of the Trust Property to The Bank of New York Mellon SA/NV, London Branch (the "Custodian"). In turn, the Custodian has sub-delegated the custody of assets in certain markets in which the Trust may invest to various sub-delegates ("Sub-Custodians"). A list of Sub-Custodians is given in Appendix VII. Investors should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of Sub-Custodians is updated only at each Prospectus review. An updated list of Sub-Custodians is maintained by the Manager at [www.closebrothersam.com/funds](http://www.closebrothersam.com/funds)

#### *Updated Information*

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

#### *Terms of Appointment*

The Manager is required to enter into a written contract with the Trustee to evidence its appointment as depositary of the Trust for purposes of the Directive. The Trustee was appointed as depositary under an agreement dated 21 March 2016 (the "Depositary Agreement").

Pursuant to the Depositary Agreement the Manager and the Trustee agree to carry out various functions in order to comply with, and facilitate compliance with, the requirements of the Directive.

Details of the Trustee's remuneration are set out in paragraph 7.5 of this Prospectus.

## 6.4 **The Investment Manager**

### 6.4.1 **General**

The Manager has appointed the Investment Manager, OLIM Limited, to provide investment management services to the Manager. The Investment Manager is authorised and regulated by the Financial Conduct Authority. The Investment Manager is in the same group of companies as the Manager.

The Investment Manager's registered office is at 15 Berkeley Street, London W1J 8DY.

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

The terms of the Investment Management Agreement between the Manager and the Investment Manager include the provision of discretionary investment management to attain the investment objectives, discretion to place purchase and sale orders with regulated dealers and on the exercise of voting rights relating to such investments and on the marketing of Units (subject to the approval of the Manager) and preparation of the Investment Manager's report half yearly for inclusion in the Manager's report for circulation to holders. The agreement is terminable on receipt of 6 months written notice given by either party. The Manager has the right to terminate the Agreement with immediate effect in certain circumstances.

The Investment Manager is entitled to a fee out of the Scheme Property as explained in paragraph 7.3.

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

## 6.5 **The Administrator**

### 6.5.1 **General**

The Manager is responsible for the Register.

On behalf of the Trust the Manager has also appointed The Bank of New York Mellon (International Limited) to act as administrator and registrar, to provide fund accounting, and other administration and registration services to the Trust.

The registered office of the Administrator is Capital House, Festival Square, Edinburgh EH3 9SU.

### 6.5.2 **Register of Unitholders**

The Register of Unitholders will be maintained by the Registrar at the address of its office as noted above, and may be inspected at that address or the principal place of business of the Manager during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

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

### 6.6 **The Auditors**

The auditors of the Trust are Deloitte LLP, whose address is Hill House, 1 Little New Street, London, EC4A 3TR.

### 6.7 **Conflicts of Interest**

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

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

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

Details of the Manager's conflicts of interest policy are available on request from the Manager.

## 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 Units (see paragraph 3.6) payable by a Unitholder or out of Scheme Property are set out in this section.

The Manager 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 the fees and expenses payable to the Manager and to the Trustee;
- 7.1.2 broker's commission, fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessarily incurred in effecting transactions for the Trust and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 7.1.3 fees and expenses in respect of establishing and maintaining the Register and any plan register of Unitholders;
- 7.1.4 any costs incurred in or about the creation, conversion and cancellation of Units;
- 7.1.5 any costs incurred in producing and dispatching any payments made by the Trust, or the yearly and half-yearly reports of the Trust;
- 7.1.6 any fees, expenses or disbursements of any legal or other professional adviser of the Trust;
- 7.1.7 any costs incurred in taking out and maintaining any insurance policy in relation to the Trust;
- 7.1.8 the cost of dealing in the property of the Trust;
- 7.1.9 interest on permitted borrowings and charges incurred in effecting, terminating or in negotiating or varying the terms of such borrowings;
- 7.1.10 taxation and duties payable in respect of the property of the Trust, the Trust Deed or the issue of Units;
- 7.1.11 any costs incurred in modifying the Trust Deed, including costs incurred in respect of meetings of holders convened for purposes which include such a modification, where the modification is:

- 7.1.11.1 necessary to implement or as a direct consequence of any change in the law (including changes in the Regulations); or
- 7.1.11.2 expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interests of the holders of the Scheme; or
- 7.1.11.3 to remove obsolete provisions from the Trust Deed;
- 7.1.12 any costs incurred in respect of meetings of holders of the Trust convened on a requisition by holders not including the Manager or any Associate of the Manager;
- 7.1.13 liabilities arising from a unitisation, amalgamation or reconstruction occurring in circumstances set out in the Regulations;
- 7.1.14 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
- 7.1.15 the fees of the FCA under the FCA Regulations and the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Units are or may be marketed;
- 7.1.16 the Trustee's expenses, as detailed below; and
- 7.1.17 any payments otherwise due by virtue of the FCA Regulations.

The Manager is also entitled to be paid out of the Scheme Property any expenses, incurred by the Manager or its delegates of the kinds described above.

Expenses are allocated between capital and income in accordance with the Regulations. However, the approach for the Trust 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 Manager**

### 7.2.1 Annual Management Charge

In payment for carrying out its duties and responsibilities the Manager is entitled to take an annual fee out of the Trust as set out in Appendix I. The annual management charge will accrue on a daily basis in arrears by reference to the value of the Scheme Property 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 for the Trust (expressed as a percentage per annum of the value of the Trust) is set out in Appendix I. Investors should note that the Manager's annual management charge will be taken entirely from capital which may constrain capital growth.

#### 7.2.2 Expenses

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

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

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

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

### 7.3 Investment Manager's Fee

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the Manager from the AMC.

### 7.4 Administrator's Fees

#### 7.4.1 Fund Accounting Fees:

The Administrator is entitled to the following fees out of the Trust:

- (i) an *ad valorem* fee based on the NAV of the Trust in accordance with the table below:

Assets under management	Fee per annum calculated as % of NAV
£0-£100 million	0.00%
£100 million-£250 million	0.009%
£250 - £500 million	0.0065%
£500 million and above	0.0045%

- (ii) a fee based on the number of holdings in the Trust in accordance with the table below;

Number of holdings	Fee per annum per holding
0-100	£71.59
101-250	£46.02
More than 250	£32.72

The fees set out at paragraphs (i) and (ii) above are each accrued daily and payable monthly.

- (iii) a fixed annual fee of £20,454.25 for the Trust;
- (iv) transaction fees of £6.43 per transaction;
- (v) a fee of £255.68 per total expenses ratio/ongoing charges figure calculation; and
- (vi) The Administrator's *ad valorem* fee above includes provision for 2 distributions per year. Any additional distribution will incur a fee of £646.35.

#### 7.4.2 Registration Fees:

The Administrator in its capacity as registrar of the Trust is entitled to charge costs of establishing and maintaining the register and/or plan sub-register including the following; (i) £14.11 per each Unitholder holding (including two income distributions per year); (ii) £0.42 in relation to each additional income distribution; (iii) £12.27 to £20.45 per Unitholder transaction in Units; (iv) reporting fees in relation to the register and/or plan sub-register (set at fixed amounts and chargeable across the Close range); (v) fees for reconciliation of bank accounts; (vi) anti-money laundering check fees and (vii) printing fees.

7.4.3 In addition to those fees set out at paragraphs 7.4.1 and 7.4.2, the Administrator is entitled to recover certain out of pocket expenses in relation to the services provided under those paragraphs and which include, but are not limited to, client stationery, postage costs, courier expenses, registration fees, pricing feeds, stamp duties, custom reporting or custom programming, internal/external tax, legal or consulting costs.

7.4.4 The Administrator's overall fee is subject to a minimum of £137,196.88 per annum across all authorised funds of which the Manager is the authorised fund manager and to which the Administrator acts as administrator and registrar. These funds are set out in Appendix v.

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

7.4.6 The fees are reviewed on an annual basis and may be increased by the Administrator in line with the Average Weekly Earnings Index, in accordance with the Regulations.

## 7.5 Trustee's Fees

As remuneration for its services, the Trustee is entitled to receive a periodic charge and transaction fees out of the property of the Trust. The periodic fee, which accrues at each Valuation Point and is payable monthly, is based on the value of the scheme property of the Trust and is determined at each Valuation Point on the same basis as the Manager's charge. The rate of the fee is currently:

Value of Trust	Fee
First £100 million	0.02%
Next £150 million	0.0175%
Next £250 million	0.015%
Greater than £500million	0.0125%

of the value of the scheme property subject to a minimum of £187,500 in aggregate for 15 funds, which increases by £12,500 plus VAT for each additional fund. In determining the number of funds for the purposes of compiling the minimum fee, each Fund of the Trust and the other authorised funds referred to in Appendix V are taken into account.

In addition VAT on the amount of the periodic charge will be paid out of the scheme property.

In the event of the termination of the Trust or wind-up of a Fund, the Trustee shall continue to be entitled to a periodic charge for the period up to and including the day on which the final distribution in the termination of the Trust or Fund shall be made or, in the case of a termination following the passing of an extraordinary resolution approving a scheme of arrangement, up to and including the final day on which the Trustee is responsible for the safekeeping of the relevant scheme property. Such periodic charge will be calculated, be subject to the same terms and accrue and be paid as described above, except that for the purpose of calculating the periodic charge in respect of any day falling after the day on which the termination of the Trust or wind-up of the Fund commences, the value of the scheme property shall be its value determined at the beginning of each such day.

In addition to a periodic charge the Trustee may also be paid by way of remuneration custody fees where it acts as custodian and other transaction and bank charges.

The Trustee has appointed The Bank of New York Mellon SA/NV, London Branch as custodian of the scheme property.

The remuneration for acting as custodian is calculated at such rate and/or amount as the Manager, the Trustee and the Custodian may agree from time to time.

The current remuneration ranges from between 0.0025% per annum to 0.60% per annum of the value of the scheme property, plus VAT (if any) calculated at an ad valorem rate determined by the territory or country in which the assets of the Trust are held. The current range of transaction charges is between £5.00 and £115.00 per transaction plus VAT (if any).

Charges for principal markets are:

	Transaction charge per trade	Custody charge % per annum
UK	£5.00	0.0025%
United States	£5.00	0.0025%
Germany	£8.50	0.007 %
Japan	£8.50	0.007 %

Custody and transaction charges will be payable monthly in arrears.

In addition to the remuneration referred to above, the Trustee is entitled to receive reimbursement for expenses properly incurred by it in discharge of its duties or exercising any powers conferred upon it in relation to the Trust. Such expenses include, but are not restricted to:

- (i) delivery of stock to the Trustee or custodian;
- (ii) custody of assets;
- (iii) collection of income and capital;
- (iv) submission of tax returns;
- (v) handling tax claims;
- (vi) preparation of the Trustee's annual reports;
- (vii) such other duties as the Trustee is required by law to perform; and
- (viii) maintenance of the register.

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

In each case such expenses and disbursements will also be payable if incurred by any person (including the Manager or an associate or nominee of the Trustee or of the Manager) who has had the relevant duty delegated to it pursuant to the COLL Sourcebook by the Trustee.

## 8. UNITHOLDER MEETINGS AND VOTING RIGHTS

### 8.1 Class and Trust Meetings

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

### 8.2 Requisitions of Meetings

The Manager may requisition a general meeting at any time.

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

### 8.3 Notice and Quorum

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

### 8.4 Voting Rights

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

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

A Unitholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

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

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

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

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

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

#### **8.5 Variation of Class Rights**

The rights attached to a Class may not be varied without the sanction of an extraordinary resolution passed at a meeting of Unitholders of that Class.

## 9. TAXATION

### 9.1 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 Trust and of investors who are United Kingdom resident individuals and hold Units 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.

### 9.2 The Trust

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

Any dividend distribution received by the Trust will not normally be charged to corporation tax provided that it falls within one of the exempt classes set out in the relevant legislation. The Trust will be subject to corporation tax on most other types of income but after deducting allowable management expenses and the gross amount of any interest distributions. Where the Trust suffers foreign tax on income received, this will normally be an irrecoverable tax expense.

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

### 9.3 Unitholders

#### 9.3.1 Income

The Trust will pay dividend distributions (which will be automatically retained in the Trust in the case of accumulation Units) with a tax credit. Individuals liable to income tax at the basic rate will have no further liability to tax. Higher and additional rate taxpayers will have to pay an additional amount of income tax on the amount received. Certain categories of Unitholder may be able to reclaim some tax credits.

#### 9.3.2 Income Equalisation

The first income allocation received by an investor after buying Units may include an amount of income equalisation. 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 Units for capital gains tax purposes.

### 9.3.3 **Capital Gains**

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

### 9.3.4 **Stamp Duty Reserve Tax ("SDRT")**

Following the abolition of stamp duty reserve tax on management dealings in units in authorised investment funds, there will generally be no charge to stamp duty reserve tax when Shareholders surrender or redeem their Shares. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to stamp duty reserve tax may apply.

Stamp duty reserve tax is chargeable at a rate of 0.5% on certain sales and transfers of Shares in the Scheme (the principal charge).

### 9.3.5 **EU Savings Directive**

Under the EU Council Directive on taxation of savings income Member States of the European Union ("Member States") are required to provide to the tax authorities of other Member States details of payments of interest and other similar income (which in the case of a collective investment fund may include income arising as a result of the sale and redemption of the fund's Units) paid by a person who is a "paying agent" for the purposes of the Directive to an individual resident for the purposes of the Directive in another Member State. However, a number of Member States may instead impose a system of withholding tax for a transitional period.

## 10. **WINDING UP OF THE TRUST**

- 10.1 The Trust will not be wound up except in accordance with the COLL Sourcebook.
- 10.2 The Trustee shall proceed to wind-up the Trust:
- 10.2.1 if the order declaring the Trust to be an authorised unit trust scheme is revoked; or
- 10.2.2 if the Manager or the Trustee requests the FCA to revoke the order declaring the Trust to be an authorised unit trust scheme and the FCA has agreed (provided no material change in any relevant factor occurs) that on the winding-up of the Trust, the FCA will accede to that request; or
- 10.2.3 the expiration of any period specified in the Trust Deed as the period at the end of which the Trust is to terminate; or
- 10.2.4 on the effective date of a duly approved scheme of arrangement which is to result in the relevant Trust being left with no property.
- 10.3 If any of the events set out above occurs the rules in the COLL Sourcebook concerning Dealing (COLL 6.2), Valuation and Pricing (COLL 6.3) and Investment and Borrowing Powers (COLL 5), will cease to apply. The Trustee shall cease to issue and cancel Units and the Manager will stop redeeming and selling Units.
- 10.4 In the case of a scheme of arrangement referred to in paragraph 10.2.4 above, the Trustee shall wind up the Trust in accordance with the approved scheme of arrangement.
- 10.5 In any other case, the Trustee shall, as soon as practicable after the relevant Trust falls to be wound-up, realise the assets of the Trust and, after paying, or retaining adequate provision for, all liabilities properly payable and retaining provision for the costs of the winding-up, distribute the proceeds to the Unitholders and the Manager proportionately to their respective interest in the Trust.
- 10.6 Any unclaimed net proceeds or other cash (including unclaimed distribution payments) held by the Trustee after twelve months from the date the proceeds became payable, shall be paid by the Trustee into Court, although the Trustee will have the right to retain any expenses incurred in making that payment. On completion of the winding-up, the Trustee shall notify the FCA in writing of that fact and the Trustee or the Manager shall request the FCA to revoke the order of authorisation.

## 11. GENERAL INFORMATION

### 11.1 Accounting Periods

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

The Manager 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.

### 11.2 Notice to Unitholders

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

### 11.3 Income Allocations

The Trust has interim and final income allocations. Income is allocated in respect of the income available at each accounting date.

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

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

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

The 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 Trust in respect of that period, and deducting the charges and expenses of the Trust paid or payable out of income in respect of that accounting period. The Manager then makes such other adjustments as it considers appropriate (and after consulting the Trust's auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and other matters.

#### 11.4 **Annual Reports**

The annual short report of the Trust will be published and sent to Unitholders within two months from the end of each annual accounting period and the half yearly report will be published within two months of each interim accounting period. Short reports will be issued free of charge.

A long report containing the full accounts is available to any person free of charge on request.

#### 11.5 **Documents of the Trust**

The following documents may be inspected free of charge during normal business hours on any business day at the offices of the Manager at 10 Crown Place, London, EC2A 4FT:

11.5.1 the Prospectus;

11.5.2 the most recent annual and half yearly reports of the Trust; and

11.5.3 the Trust Deed (and any amending documents).

Unitholders may obtain copies of the above documents from the Manager. The Manager may make a charge at its discretion for copies of documents (apart from the most recent versions of the Prospectus and annual and half yearly long reports of the Trust which are available free of charge to anyone who requests).

#### 11.6 **Provision of Investment Advice**

All information concerning the Trust and about investing in Units of the Trust is available from the Manager at 10 Crown Place, London, EC2A 4FT. The Manager is not authorised to give investment advice and persons requiring such advice should consult a professional adviser. All applications for Units are made solely on the basis of the current prospectus of the Trust, and investors should ensure that they have the most up to date version.

#### 11.7 **Telephone Recordings**

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

#### 11.8 **Complaints**

Complaints may be brought in writing to the Compliance Officer, Close Asset Management (UK) Limited, 10 Crown Place, London, EC2A 4FT or at [client.complaints@closebrothers.com](mailto:client.complaints@closebrothers.com)

In the event that an unsatisfactory response is provided, you can refer your complaint to the Financial Ombudsman Service at: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. A copy of the Manager's Guide to making a complaint is available upon request.

#### 11.9 **Strategy for the Exercise of Voting Rights**

The Manager has a strategy for determining when and how voting rights attached to ownership of the Scheme Property are to be exercised for the benefit of the Trust. A summary of this strategy is available from the Manager on 020 7426 4000 (calls to this number may be recorded), or on request from the Manager, as are the details of the actions taken on the basis of this strategy in relation to the Trust.

#### 11.10 **Best Execution**

The Manager's order execution policy sets out the factors which the Manager expects the Investment Manager to consider when effecting transactions and placing orders in relation to the Trust. This policy has been developed in accordance with the Manager's obligations under the Regulations to obtain the best possible result for the Trust.

Details of the best execution policy are available upon request from the Manager.

#### 11.11 **Transfer of Assets**

If all or part of the Manager's business is transferred to a third party, the Manager may transfer Unitholders' client money to that other third party, subject to the Manager's duties under the FCA Handbook.

## APPENDIX I

### TRUST DETAILS

<b>Name:</b>	Close OLIM UK Equity Income Fund
<b>Type of Scheme:</b>	UCITS scheme
<b>Investment Objective:</b>	The objective of the Trust is to achieve a return based on a combination of income and capital over the long term.
<b>Investment Policy:</b>	<p>The Trust aims to achieve its objective through investment primarily in UK equities.</p> <p>The Manager may also from time to time invest in other transferable securities, including UK government securities and other fixed interest securities.</p>
<b>Final Accounting Date:</b>	30 November
<b>Interim Accounting Date:</b>	31 May
<b>Income Distribution Dates:</b>	31 January (final) 31 July (interim)
<b>Type of Units:</b>	Income/Accumulation
<b>Unit Classes:</b>	X
<b>Initial Charge:</b>	Nil
<b>Redemption Charge:</b>	Nil
<b>Switching Charge:</b>	Nil
<b>Annual Management Charge:</b>	0.75%

**Allocation of Charges:** The AMC, ongoing operating costs, dealing and registration costs, trustee costs and portfolio transactions (broker's commission) are all paid from capital.

**Investment****Class X****Minima: \*\***

Lump Sum:

£1000

Holding:

£1000

Regular Savings Plan:

£50 per month

Top-up:

N/A

Redemption:

£500

**Past Performance:**

Past performance information is set out in Appendix VI.

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

## **APPENDIX II**

### **ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS**

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

The Trust may also deal through the markets listed below.

#### **Eligible Securities Markets:**

London Stock Exchange (LSE)

Irish Stock Exchange

Alternative Investment Market of the London Stock Exchange (AIM)

#### **Eligible Derivatives Markets:**

The London International Financial Futures and Options Exchange (NYSE LIFFE)



## APPENDIX III

### VALUATION AND PRICING

The property of each of the Trust will be valued for the purpose of determining prices at which Units may be purchased or redeemed by the Manager at 12:00pm London time on every Dealing Day (the "Valuation Point") and may be valued more frequently if the Manager so decides.

As to each Valuation Point, the valuation shall be carried out on a mark to market basis for which purpose:

- (a) investments for which a single price for buying and selling (whether a transferable security or units or shares in a collective investment scheme) shall be valued at that price;
- (b) units or shares in a collective scheme for which different buying and selling prices are quoted shall be valued at the mid-market price provided the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto where possible; failing that units or shares in a collective scheme for which different buying and selling prices are quoted shall be valued at the mid-market price of the bid and offer prices;
- (c) any other transferable security for which different buying and selling prices are quoted shall be valued at the mid-market price;
- (d) where the Manager has reasonable grounds to believe that no reliable price exists for a security at a Valuation Point, or the most recent price does not reflect the Manager's best estimate of the value of a security at the Valuation Point, it shall be valued at a price which, in the Manager's reasonable opinion, reflects a fair and reasonable price;
- (e) approved money market instruments will be valued on an amortised cost basis provided that the instrument has a residual maturity of less than 3 months and has no specific sensitivity to market parameters, including credit risk;
- (f) over the counter derivatives and forward transactions shall be valued as agreed between the Manager and the Trustee;
- (g) exchange traded derivatives shall be valued at the mid-market price where different buying and selling prices are quoted or shall be valued at the price quoted where the price for buying and selling the exchange traded derivatives is the same;

- (h) cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values;
- (i) other scheme property shall be valued at a fair and reasonable mid-market value; and
- (j) adjustments will be made for tax, outstanding borrowings, accrued fees and expenses, and dealing expenses.

The Manager reserves the right to revalue a Fund at any time at its discretion. This is only likely to take place in cases where there has been a substantial change amounting to 2% or more in the value of the underlying assets of the Fund since the previous valuation.

### **Fair value pricing**

Where the Manager has reasonable grounds to believe that:

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

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

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

- (a) no recent trade in the security concerned; or
- (b) suspension of dealings in the security concerned; or
- (c) the occurrence of significant movements in the markets in which any underlying collective investment schemes are invested since the last valuation point; or
- (d) the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

In determining whether to use such a fair value price, the Manager will include in their consideration but need not be limited to:

- (a) the type of authorised fund concerned;
- (b) the securities involved;
- (c) whether the underlying collective investment schemes may already have applied fair value pricing;

- (d) the basis and reliability of the alternative price used; and
- (e) the Manager's policy on the valuation of scheme property as disclosed in this Prospectus.

## APPENDIX IV

### INVESTMENT AND BORROWING POWERS OF THE TRUST

#### 1. General

The Scheme Property will be invested with the aim of achieving the investment objective of the Trust but subject to the limits set out in the Trust's investment policy and the limits set out in Chapter 5 of the COLL Sourcebook ("COLL 5") and this Prospectus.

#### 1.1 Prudent spread of risk

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

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

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

1.2.2.1 it must be assumed that in applying any of those rules, the Trust 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.
- 1.4 The Trust may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
  - 1.4.1 the potential loss which the Trust may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 1.4.2 its liquidity does not compromise the ability of the Manager to comply with its obligation to redeem Units at the request of any qualifying Unitholder under the FCA Handbook;
  - 1.4.3 reliable valuation is available for it as follows:
    - 1.4.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
    - 1.4.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
  - 1.4.4 appropriate information is available for it as follows:
    - 1.4.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
    - 1.4.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the Manager on the transferable security or, where relevant, on the portfolio of the transferable security;

- 1.4.5 it is negotiable; and
  - 1.4.6 its risks are adequately captured by the risk management process of the Manager.
- 1.5 Unless there is information available to the Manager that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:
- 1.5.1 not to compromise the ability of the Manager to comply with its obligation to redeem Units at the request of any qualifying Unitholder; and
  - 1.5.2 to be negotiable.
- 1.6 No more than 5% of the Scheme Property may be invested in warrants.

## 2. **UCITS schemes - general**

Subject to the investment objective and policy of the Trust and the restrictions set out in this Prospectus, the Scheme Property must, except where otherwise provided in COLL 5, only consist of transferable securities.

## 3. **Closed end funds constituting transferable securities**

- 3.1 A unit or a share in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Trust, provided it fulfils the criteria for transferable securities set out in paragraph 1.4 and either:
- 3.1.1 where the closed end fund is constituted as an investment company or a unit trust:
    - 3.1.1.1 it is subject to corporate governance mechanisms applied to companies; and
    - 3.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
  - 3.1.2 where the closed end fund is constituted under the law of contract:
    - 3.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
    - 3.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

## 4. **Transferable securities linked to other assets**

4.1 The Trust may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Trust provided the investment:

4.1.1 fulfils the criteria for transferable securities set out in 1.4 above; and

4.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Trust can invest.

4.2 Where an investment in 4.1 contains an embedded derivative component, the requirements of this section with respect to derivatives and forwards will apply to that component.

## 5. **Transferable securities generally to be admitted or dealt in on an Eligible Market**

5.1 Transferable securities held within the Trust must be:

5.1.1 admitted to or dealt in on an eligible market as described in 6.3.1; or

5.1.2 dealt in on an eligible market as described in 6.3.2; or

5.1.3 admitted to or dealt in on an eligible market as described in 6.4; or

5.1.4 recently issued transferable securities provided that:

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

5.1.4.2 such admission is secured within a year of issue.

5.2 However, the Trust may invest no more than 10% of the Scheme Property in transferable securities other than those referred to in 5.1.

## 6. **Eligible markets regime: purpose**

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

6.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction on investing in non approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

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

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

6.3.2 a market in an EEA State which is regulated, operates regularly and is

open to the public; or

6.3.3 a market falling in paragraph 6.4 of this Appendix.

6.4 A market falling within paragraph 6.3.3 of this Appendix is eligible for the purposes of COLL 5 if:

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

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

6.4.3 the Trustee has taken reasonable care to determine that:

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

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

6.5 In paragraph 6.4.1, 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.

## 7. **Spread: general**

7.1 This rule on spread does not apply to government and public securities.

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

7.3 With the exception of those instruments specified in paragraph 8 below, not more than 5% in value of the Scheme Property is to consist of transferable securities issued by any single body, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.

7.4 The limit of 5% is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when the Trust invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property. The Trust does not currently invest in covered bonds.



- 7.5 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.
- 7.6 The COLL Sourcebook provides that not more than 20% in value of the Scheme Property is to consist of the units of any one collective investment scheme.
- 7.7 Not more than 20% in value of the Scheme Property may consist of transferable securities issued by the same group.
- 7.8 The COLL Sourcebook provides that in applying the limits in COLL 5.2.11R(3), 7.3 and 7.5 and subject to 7.4, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following (if applicable):
- 7.8.1 transferable securities (including covered bonds) or approved money market instruments issued by; or
  - 7.8.2 deposits made with; or
  - 7.8.3 exposures from OTC derivatives transactions made with;
- a single body.

## **8. Counterparty risk and issuer concentration**

- 8.1 The Manager must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 7.5 and 7.8 above.
- 8.2 When calculating the exposure of a Sub-fund to a counterparty in accordance with the limits in paragraph 7.5 the Manager must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 8.3 A Manager may net the OTC derivative positions of a Sub-fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Sub-fund.
- 8.4 The netting agreements in paragraph 8.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Sub-fund may have with that same counterparty.
- 8.5 The Manager may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.
- 8.6 The Manager must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 7.5 when it passes collateral to an OTC counterparty on behalf of a Sub-fund.

8.7 Collateral passed in accordance with paragraph 8.6 may be taken into account on a net basis only if the Manager is able legally to enforce netting arrangements with this counterparty on behalf of that Sub-fund.

8.8 The Manager must calculate the issuer concentration limits referred to in paragraph 7.5 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

8.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 7.5 the Manager must include any exposure to OTC derivative counterparty risk in the calculation.

## 9. **Spread: government and public securities**

9.1 The following section applies to government and public securities ("such securities").

9.2 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.

9.3 **The Trust may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:**

9.3.1 **the Manager has before any such investment is made consulted with the Trustee and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the authorised fund;**

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

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

9.3.4 **the disclosures required by the FCA have been made.**

9.4 **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 Governments of United Kingdom and Northern Ireland.**

9.5 Notwithstanding 7.1 and subject to 9.2 and 9.3 above, in applying the 20% limit in paragraph 7.8 with respect to a single body, government and public securities issued by that body shall be taken into account.

## 10. **Investment in collective investment schemes**

- 10.1 No more than 5% of the value of the Scheme Property may be invested in units or shares in other collective investment schemes ("Second Scheme") provided that Second Scheme satisfies all of the following conditions.
- 10.1.1 The Second Scheme must:
- 10.1.1.1 satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
  - 10.1.1.2 be recognised under the provisions of s.270 of the Financial Services and Markets Act 2000; or
  - 10.1.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of Article 50(1)(e) of the UCITS Directive are met); or
  - 10.1.1.4 be authorised in another EEA State provided the requirements of Article 50(1)(e) of the UCITS Directive are met; or
  - 10.1.1.5 be authorised by the competent authority of an OECD member country (other than another 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 article 50(1)(e) of the UCITS Directive are met).
- 10.1.2 The Second Scheme has terms which prohibit it from having more than 10% in value of the scheme property consisting of units in collective investment schemes. Where the Second Scheme is an umbrella, the provisions in this paragraph 10.1.2 and paragraph 10.1.3 and paragraph 7 (Spread: general) apply to each sub-fund as if it were a separate scheme.
- 10.1.3 Investment may only be made in other collective investment schemes managed by the Manager or an Associate of the Manager if the Trust's Prospectus clearly states that it may enter into such investments and the rules on double charging contained in the COLL Sourcebook are complied with.
- 10.2 The Trust may, subject to the limit set out in 10.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the Manager of the Trust or one of its Associates.

11. **Investment in nil and partly paid securities**

- 11.1 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 Trust, at the time when payment is required, without contravening the rules in COLL 5.

12. **Derivatives: general**

**The Investment Manager may not currently use derivatives for either investment or Efficient Portfolio Management purposes and does not envisage doing so. Any future introduction of derivatives use may only be carried out in accordance with the Regulations.**

- 12.1 A transaction in derivatives or a forward transaction must not be effected for the Trust unless the transaction is of a kind specified in paragraph 14 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 25 (Cover for investment in derivatives and forward transactions) of this Appendix.
- 12.2 Where the Trust invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.
- 12.3 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.
- 12.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 12.4.1 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;
  - 12.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - 12.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 12.5 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.

- 12.6 Where the Trust invests in an index based derivative, provided the relevant index falls within paragraph 15 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R.

### 13. **Efficient Portfolio Management**

- 13.1 EPM permits techniques and instruments which relate to transferable securities and approved money-market instruments and satisfy the following criteria:

13.1.1 the transaction must be economically appropriate;

13.1.2 The exposure on the transaction must be fully covered; and

13.1.3 The transaction must be entered into for one of the following specific aims:

13.1.3.1 the reduction of risk

13.1.3.2 The reduction of costs; or

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

- 13.2 A transaction which is regarded as speculative will not be permitted. A list of the current eligible derivatives markets is set out in Appendix 2. Further derivatives markets may be added following consultation with the Depositary in accordance with COLL.

- 13.3 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 Trust and the Manager 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.

- 13.4 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 Trust and the Manager 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.

### 14. **Permitted transactions (derivatives and forwards)**

- 14.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 188 (OTC transactions in derivatives).

- 14.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Trust is dedicated:
- 14.2.1 transferable securities;
  - 14.2.2 approved money-market instruments permitted under COLL 5.2.8R(3)(a) to COLL 5.2.8R(3)(d);
  - 14.2.3 deposits and permitted derivatives under this paragraph;
  - 14.2.4 collective investment scheme units permitted under paragraph 10 (Investment in collective investment schemes);
  - 14.2.5 financial indices which satisfy the criteria set out in paragraph 155 (Financial indices underlying derivatives);
  - 14.2.6 interest rates;
  - 14.2.7 foreign exchange rates; and
  - 14.2.8 currencies.
- 14.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.
- 14.4 A transaction in a derivative must not cause the Trust to diverge from its investment objective as stated in the Trust Deed constituting the Trust and the most recently published version of this Prospectus.
- 14.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.
- 14.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 14.7 A derivative includes an investment which fulfils the following criteria:
- 14.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
  - 14.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
  - 14.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 188; and
  - 14.7.4 its risks are adequately captured by the risk management process of the Manager and by its internal control mechanisms in the case of risk

asymmetry of information between the Manager and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

14.8 The Trust may not undertake transactions in derivatives on commodities.

15. **Financial Indices underlying derivatives**

15.1 The financial indices referred to in 14.2 are those which satisfy the following criteria:

15.1.1 the index is sufficiently diversified;

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

15.1.3 the index is published in an appropriate manner.

15.2 A financial index is sufficiently diversified if:

15.2.1 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;

15.2.2 where it is composed of assets in which the Trust 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 section; and

15.2.3 where it is composed of assets in which the Trust 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 section.

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

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

15.3.2 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

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

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

- 15.4.1 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
  - 15.4.2 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.
- 15.5 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 14.2, be regarded as a combination of those underlyings.

**16. Transactions for the purchase of property**

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

**17. Requirement to cover sales**

- 17.1 No agreement by or on behalf of the Trust to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Trust by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Trust at the time of the agreement. This requirement does not apply to a deposit.

**18. OTC transactions in derivatives**

- 18.1 Any transaction in an OTC derivative under paragraph 14.1 must be:
- 18.1.1 in a future or an option or a contract for differences;
  - 18.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the FCA Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;
  - 18.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, the Manager: carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the



counterparty and can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value; and

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

18.1.4.1 on the basis of an up-to-date market value which the Manager and the Trustee have agreed is reliable; or

18.1.4.2 if the value referred to in 18.1.4.1 is not available, on the basis of a pricing model which the Manager and the Trustee have agreed uses an adequate recognised methodology; and

18.1.5 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:

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

18.1.5.2 a department within the Manager which is independent from the department in charge of managing the Trust and which is adequately equipped for such a purpose.

18.2 For the purposes of paragraph 18.1.3, "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.

## 19. **Valuation of OTC derivatives**

19.1 For the purposes of paragraph 18.1.3 the Manager must:

19.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Sub-fund to OTC derivatives; and

19.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

19.2 Where the arrangements and procedures referred to in paragraph 24.1 above involve the performance of certain activities by third parties, the Manager must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

- 19.3 The arrangements and procedures referred to in 19.1 must be:
- 19.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and
  - 19.3.2 adequately documented.

## 20. **Risk Management**

- 20.1 The Manager uses a risk management process (including a risk management policy) in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of the Trust's positions and their contribution to the overall risk profile of the Trust. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:
- 20.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Fund together with their underlying risks and any relevant quantitative limits.
  - 20.1.2 the methods for estimating risks in derivative and forward transactions.
- 20.2 The Manager must notify the FCA in advance of any material alteration to the details above.

## 21. **Stock lending**

- 21.1 The entry into stock lending transactions or repo contracts for the account of the Trust is permitted for the generation of additional income for the benefit of the Trust, and hence for its investors.
- 21.2 The specific method of stock lending permitted in this section is in fact not a transaction which is a loan in the normal sense. Rather it is an arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purpose of providing collateral to the "lender" to cover him against the risk that the future transfer back of the securities may not be satisfactorily completed.
- 21.3 The stock lending permitted by this section may be exercised by the Trust when it reasonably appears to the Trust to be appropriate to do so with a view to generating additional income for the Trust with an acceptable degree of risk.
- 21.4 The Trustee at the request of the Manager may enter into a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the

agreement under which securities are to be reacquired by the Trustee for the account of the Trust, are in a form which is acceptable to the Trustee and are in accordance with good market practice, the counterparty is an authorised person or a person authorised by a home state regulator, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Trustee, adequate and sufficiently immediate.

- 21.5 The Trustee must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Trustee. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Trustee takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 21.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the COLL Sourcebook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Trust.
- 21.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions or repo contracts.

## 22. **Significant influence**

- 22.1 The Manager must not acquire or cause to be acquired for the Trust transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

22.1.1 immediately before the acquisition, the aggregate of any such securities held by the Trust, taken together with any such securities already held for other trusts for which it is the manager, give the Manager power significantly to influence the conduct of business of that body corporate; or

22.1.2 the acquisition gives the Manager that power.

- 22.2 For the purposes of paragraph 22.1 of this Appendix, the Manager is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held for all trusts for which it is the manager, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

## 23. **Concentration**

The Trust:

- 23.1 must not acquire transferable securities other than debt securities which:
- 23.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and
  - 23.1.2 represent more than 10% of these securities issued by that body corporate;
- 23.2 must not acquire more than 10% of the debt securities issued by any single issuing body;
- 23.3 must not acquire more than 25% of the units in a collective investment scheme;
- 23.4 must not acquire more than 10% of the money market instruments issued by any single body; and
- 23.5 need not comply with the limits in paragraphs 23.2 and 23.3 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

24. **Derivative exposure**

- 24.1 The Trust may invest in derivatives and forward transactions as long as the exposure to which the Trust is committed by that transaction itself is suitably covered from within the Scheme Property. Exposure will include any initial outlay in respect of that transaction.
- 24.2 Cover ensures that the Trust is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, the Trust must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Trust is committed. Paragraph 25 (Cover for investment in derivatives and forward transactions) below sets out detailed requirements for cover of the Trust.
- 24.3 A future is to be regarded as an obligation to which the Trust is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which the Trust 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).
- 24.4 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.

25. **Cover for investment in derivatives and forward transactions**

25.1 The Trust may invest in derivatives and forward transactions as part of its investment policy provided:

25.1.1 its global exposure relating to derivatives and forward transactions held in the Trust does not exceed the net value of the Scheme Property; and

25.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 7 above.

## 26. **Cover and Borrowing**

26.1 Cash obtained from borrowing, and borrowing which the Manager reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is available for cover under paragraph 245 of this Appendix as long as the normal limits on borrowing (see below) are observed.

26.2 Where, for the purposes of this paragraph the Trust 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 his agent or nominee), then this applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property, and the normal limits on borrowing under paragraph 31 (Borrowing powers) of this Appendix do not apply to that borrowing.

## 27. **Calculation of global exposure**

27.1 The Manager must calculate the global exposure of the Trust on at least a daily basis.

27.2 The Manager must calculate the global exposure of the Trust it manages either as:

27.2.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 12 (Derivatives: general), which may not exceed 100% of the net value of the Scheme Property; or

27.2.2 the market risk of the Scheme Property.

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

27.4 The Manager must calculate the global exposure of the Trust by using

27.4.1 commitment approach; or

27.4.2 the value at risk approach.

- 27.5 The Manager must ensure that the method selected above is appropriate, taking into account:
- 27.5.1 the investment strategy pursued by the Trust;
  - 27.5.2 types and complexities of the derivatives and forward transactions used; and
  - 27.5.3 the proportion of the Scheme Property comprising derivatives and forward transactions.

27.6 Where the Trust employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 21 (Stock lending) in order to generate additional leverage or exposure to market risk, the authorised fund manager must take those transactions into consideration when calculating global exposure.

## 28. **Cash and near cash**

28.1 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:

- 28.1.1 the redemption of Units; or
- 28.1.2 efficient management of the Trust in accordance with its investment objectives; or
- 28.1.3 other purposes which may reasonably be regarded as ancillary to the investment objectives of the Trust.

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

## 29. **General**

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

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

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

## 30. **Underwriting**

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

## 31. **Borrowing powers**

31.1 The Trustee may, on the instructions of the Manager and subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the use of the Trust on terms that the borrowing is to be repayable out of the Scheme Property.

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

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

31.4 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).

## 32. **Restrictions on lending of money**

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

32.2 Acquiring a debenture is not lending for the purposes of paragraph 32.1, nor is the placing of money on deposit or in a current account.

## 33. **Restrictions on lending of property other than money**

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

33.2 Transactions permitted by paragraph 21 (Stock lending) are not to be regarded as lending for the purposes of paragraph 33.1.

33.3 The Scheme Property must not be mortgaged.

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

#### 34. **General power to accept or underwrite placings**

34.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Trust Deed. This section applies, to any agreement or understanding: which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of the Trust.

34.2 This ability does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or acquire a transferable security, or to convert one transferable security into another.

34.3 The exposure of the Trust to agreements and understandings as set out above, on any business day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in the COLL Sourcebook.

#### 35. **Guarantees and indemnities**

35.1 The Trustee for the account of the Trust must not provide any guarantee or indemnity in respect of the obligation of any person.

35.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

35.3 Paragraphs 35.1 and 35.2 do not apply to in respect of the Trust:

35.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL 5; and

35.3.2 an indemnity given to a person winding up a body corporate or other scheme in circumstances where those assets are becoming part of the Scheme Property by way of a unitisation.

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



## **APPENDIX V**

### **LIST OF OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE MANAGER**

The Manager acts as authorised fund manager of the following Open-ended Investment Companies and authorised unit trusts:

Close Discretionary Funds (an AUT)

Winchester Fund (an OEIC)

Close FTSE TechMARK Fund (an AUT)

Close Strategic Alpha Fund (an OEIC)

## APPENDIX VI

### 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.

Past performance is no indication of future performance.

	2011	2012	2013	2014	2015
Close OLIM UK Equity Income Fund Acc	1.57 %	21.95 %	23.63 %	0.59 %	7.51 %

Percentage annual performance, accumulation Units (total return), based on ACD data.

	From Launch -30 Nov 2015
Close OLIM UK Equity Income Fund Acc	179.1 %

Percentage cumulative performance, accumulation Units, (total return), based on ACD data.

Previous past performance was displayed using Class A. This has now been updated to reflect the Class X Shares, which will be used going forward.

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

#### **Investor profile:**

The Trust is marketable to all eligible investors provided they can meet the minimum age and subscription levels. The Trust may be suitable for investors who see an Authorised Unit Trust as a convenient way of participating in investment markets. It may be suitable for investors wishing to seek to achieve the defined investment objective. 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 Trust may be suitable for investors who are looking to set aside the capital for at least 5 years. If you are uncertain whether this product is suitable for you, please contact a professional adviser.

The Trust may be suitable for those investors wanting to achieve a combination of income and capital over the long term through investment primarily in UK equities.

**Please note that all performance information is at 31 December 2013. For more up-to-date performance information, please contact the Manager.**

## APPENDIX VII

### BNYM SA/NV Sub-Custodian Network – February 2016

Country/Market	Sub Custodian Name	Entity Address
Argentina	Citibank N.A., Argentina * * On March 27, 2015, the Comisión Nacional de Valores (CNV: National Securities Commission) has appointed the central securities depository Caja de Valores S.A. to replace the branch of Citibank N.A. Argentina for those activities performed within the capital markets and in its role as custodian.	Bartolome Mitre 502/30 (C1036AAJ) Buenos Aires, Argentina
Australia	Citibank N.A.	399 Park Avenue, New York NY 10022 United States of America
Australia	National Australia Bank Limited	12th Floor, 500 Bourke Street, Melbourne Victoria 3000, Australia
Austria	Citibank N.A. Milan	Via Mercanti, 12 20121 Milan Italy
Austria	UniCredit Bank Austria AG	Schottengasse 6-8 1010 Vienna, Austria
Bahrain	HSBC Bank Middle East Limited	2nd Floor, Building No 2505, Road No 2832, Al Seef 428, Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited	Management Office, Shanta Western Tower, Level 4, 186 Bir Uttam Mir Shawkat Ali Shorok, (Tejgaon Gulshan Link Road) Tejgaon Industrial Area, Dhaka

		1208, Bangladesh
Belgium	Citibank Europe Plc, UK branch	Citigroup Centre Canada Square, Canary Wharf London E14 5LB United Kingdom
Bermuda	HSBC Bank Bermuda Limited	Custody and Clearing Department 6 Front Street Hamilton Bermuda HM11
Botswana	The Standard Bank of South Africa Limited	9th floor 5 Simmonds Street Johannesburg 2001, South Africa
Brazil	Citibank N.A., Brazil	Citibank N.A. Avenida Paulista, 1111 – 12th floor Cerqueira Cesar – Sao Paulo, Brazil CEP: 01311-920
Brazil	Itaú Distribuidora De Títulos E Valores Mobiliários S.A. (a subsidiary of Itaú Unibanco S.A.)	Praça Alfredo Egydio de Souza Aranha, 100 São Paulo, S.P. - Brazil 04344-902
Bulgaria	Citibank Europe plc, Bulgaria Branch	48 Sitnyakovo Blvd Serdika Offices, 10th floor Sofia 1505, Bulgaria
Canada	CIBC Mellon Trust Company (CIBC Mellon)	320 Bay Street Toronto, Ontario, M5H 4A6 Canada
Cayman Islands	The Bank of New York Mellon	225 Liberty Street New York, NY 10286 United States
Channel Islands	The Bank of New York Mellon	225 Liberty Street New York, NY 10286, United States
Chile	Banco de Chile	Estado 260 2nd Floor Santiago, Chile Postal code 8320204
Chile	Banco Itaú Chile	Avenida Apoquindo 3457 Las Condes 7550197

		Santiago, Chile
China	HSBC Bank (China) Company Limited	33 Floor, HSBC Building, Shanghai ifc 8 Century Avenue, Pudong Shanghai, China (200120)
Colombia	Citibank N.A.	399 Park Avenue New York, NY 10022
Costa Rica	Banco Nacional de Costa Rica	1st and 3rd Avenue, 4th Street San José, Costa Rica
Croatia	Privredna banka Zagreb d.d.	Radnicka cesta 50 10 000 Zagreb Croatia
Cyprus	BNP Paribas S.A.	16, boulevard des Italiens 75009 Paris France
Czech Republic	Citibank Europe plc, organizacni slozka	Bucharova 2641/14 158 02 Prague 5, Czech Republic
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
Egypt	HSBC Bank Egypt S.A.E.	306 Corniche El Nil, Maadi, Cairo, Egypt
Estonia	SEB Pank AS	Tornimäe Str. 2 15010 Tallinn Estonia
Euromarket	Clearstream Banking S.A.	42 Avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg
Euromarket	Euroclear Bank SA/NV	1 Boulevard du Roi Albert II B-1210 Brussels - Belgium
Finland	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
France	BNP Paribas S.A.	16, boulevards des Italiens 75009 Paris, France
France	Citibank Europe Plc, UK branch	Citigroup Centre Canada Square, Canary Wharf London E14 5LB United

		Kingdom
Germany	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main Germany
Ghana	Stanbic Bank Ghana Limited	Stanbic Heights, Plot No. 215 South Liberation RD, Airport City, Cantonments, Accra, Ghana
Greece	BNP Paribas Securities Services S.C.A., Athens	94 V. Sofias Avenue & 1 Kerasountos 115 28 Athens Greece
Hong Kong	Deutsche Bank AG	52/F International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	2F, Tower 1, HSBC Centre. 1 Sham Mong Road, Kowloon, Hong Kong
Hungary	Citibank Europe plc. Hungarian Branch Office	Szabadság tér 7 1051 Budapest Hungary
Iceland	Landsbankinn hf.	Austurstraeti 11 155 Reykjavik Iceland
India	Deutsche Bank AG	4th Floor, Block I, Nirlon Knowledge Park, W.E. Highway Mumbai - 400 063, India
India	The Hongkong and Shanghai Banking Corporation Limited	11F, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063, India
Indonesia	Deutsche Bank AG	7th Floor, Deutsche Bank Building Jl. Imam Bonjol No.80, Jakarta – 10310, Indonesia

Ireland	The Bank of New York Mellon	225 Liberty Street New York, NY 10286, United States
Israel	Bank Hapoalim B.M.	50 Rothschild Blvd Tel Aviv 66883 Israel
Italy	Citibank N.A. Milan	Via Mercanti 12 20121 Milan Italy
Italy	Intesa Sanpaolo S.p.A.	Piazza San Carlo, 156 10121 Torino Italy
Japan	Mizuho Bank, Ltd.	4-16-13, Tsukishima, Chuo-ku, Tokyo 104- 0052 Japan
Japan	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1-3-2, Nihombashi Hongoku-cho, Chuo-ku, Tokyo 103-0021, Japan
Jordan	Standard Chartered Bank Jordan Branch	Shmeissani Branch, Al-Thaqafa Street , Building # 2, P.O.Box 926190,
Kazakhstan	Joint-Stock Company Citibank Kazakhstan	Park Palace Building A, 41 Kazybek Bi Street, Almaty, Kazakhstan
Kenya	CfC Stanbic Bank Limited	First Floor, CfC Stanbic Centre P.O. Box 72833 00200 Chiromo Road, Westlands, Nairobi, Kenya.
Kuwait	HSBC Bank Middle East Limited, Kuwait	Hamad Al-Saqr St., Qibla Area, Kharafi Tower, G/1/2 P.O. Box 1683, Safat 13017, Kuwait
Latvia	AS SEB banka	Meistaru iela 1 Valdlauci Kekavas pagasts, Kekavas novads LV-1076 Latvia
Lebanon	HSBC Bank Middle East Limited – Beirut Branch	Lebanon Head Office Minet EL-Hosn, P.O. Box: 11-1380 Beirut, Lebanon
Lithuania	AB SEB bankas	12 Gedimino Av. LT-01103

		Vilnius Lithuania
Luxembourg	Euroclear Bank SA/NV	1 Boulevard du Roi Albert II B-1210 Brussels - Belgium
Malaysia	Deutsche Bank (Malaysia) Berhad	Level 20, Menara IMC No 8 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main Germany
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	5th Floor, HSBC Centre, 18 Cybercity, Ebene, Mauritius
Mexico	Banco Nacional de México S.A.	Isabel la Catolica No. 44 Colonia Centro Mexico, D.F. C.P. 06000
Morocco	Citibank Maghreb	Zenith Millenium, Immeuble 1 Sidi Maarouf, B.P. 40 20190 Casablanca Morocco
Namibia	Standard Bank Namibia Limited	2nd Floor, Standard Bank Centre, Town Square Corner of Post Street Mall and Werner List Street Windhoek, Namibia
Netherlands	The Bank of New York Mellon SA/NV	Rue Montoyer, 46 1000 Brussels Belgium
New Zealand	National Nominees Limited	c/o Bank of New Zealand Level 2, BNZ Tower, 125 Queen Street Auckland, New Zealand
Nigeria	Stanbic IBTC Bank Plc.	Walter Carrington Crescent Victoria Island Lagos, Nigeria
Norway	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden



Oman	HSBC Bank Oman S.A.O.G.	2nd Floor, Head Office Building, P.O. Box 1727, Al Khuwair, Postal Code 111, Sultanate of Oman
Pakistan	Deutsche Bank AG	242-243, Avari Plaza, Fatima Jinnah Road Karachi – 75330, Pakistan
Peru	Citibank del Peru S.A.	Avenida Canaval y Moreyra, 480, 3rd floor Lima 27, Peru
Philippines	Deutsche Bank AG	23rd Floor, Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, 1226 Makati City Philippines
Poland	Bank Polska Kasa Opieki S.A.	53/57 Grzybowska Street 00-950 Warszawa
Portugal	Citibank Europe Plc, Sucursal em Portugal	Rua Barata Salgueiro, 30 1269-056 Lisbon Portugal
Qatar	HSBC Bank Middle East Limited, Doha	2nd Floor, Ali Bin Ali Tower, Building no: 150, Al Matar Street (Airport Road) P.O. Box 57, Street no. 950, Umm Ghuwalina Area, Doha, Qatar
Romania	Citibank Europe plc, Romania Branch	145, Calea Victoriei 010072 Bucharest Romania
Russia	PJSC ROSBANK	Mashi Poryvaevoy ulitsa 34, 107078 Moscow, Russia
Saudi Arabia	HSBC Saudi Arabia Limited	HSBC Building, 7267 Olaya Road, Al-Murooj Riyadh 12283-22555, Kingdom of Saudi Arabia
Serbia	UniCredit Bank Serbia JSC	Rajiceva Street 27-29, 11000 Belgrade, Serbia
Singapore	DBS Bank Ltd	12 Marina Boulevard Marina Bay Financial Centre Tower

		3 Singapore 018982
Singapore	United Overseas Bank Limited	80 Raffles Place UOB Plaza Singapore 048624
Slovak Republic	Citibank Europe plc, pobočka zahraničnej banky	Mlynske Nivy 43 825 01 Bratislava, Slovak Republic
Slovenia	UniCredit Banka Slovenia d.d.	Smartinska 140, 1000 - Ljubljana, Slovenia
South Africa	The Standard Bank of South Africa Limited	9th Floor 5 Simmonds Street Johannesburg 2001, South Africa
South Korea	Deutsche Bank AG	18th Floor, Young-Poong Building 41 Cheonggyecheon-ro, Jongro-ku, Seoul 03188, South Korea
South Korea	The Hongkong and Shanghai Banking Corporation Limited	5th Floor, HSBC Building, 37, Chilpae-ro, Jung-Gu, Seoul, South Korea, 04511
Spain	Banco Bilbao Vizcaya Argentaria, S.A.	Plaza San Nicolás, 4 48005 Bilbao Spain
Spain	Banco Santander, S.A.	Paseo de Pereda, 9-12 39004 - Santander, Spain
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	24 Sir Baron Jayathilake Mawatha Colombo 01, Sri Lanka
Swaziland	Standard Bank Swaziland Limited	Standard House, Swazi Plaza Mbabane, Swaziland
Sweden	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
Switzerland	Credit Suisse AG	Paradeplatz 8 8070 Zurich Switzerland
Switzerland	UBS Switzerland AG	Bahnhofstrasse 45 8001 Zürich Switzerland

Taiwan	Standard Chartered Bank (Taiwan) Ltd	No 168, Tun Hwa North Road, Taipei 105, Taiwan
Taiwan	HSBC Bank (Taiwan) Limited	11F, No. 369, Section 7, Zhongxiao East Road Nangang District, Taipei City 115 Taiwan (ROC)
Thailand	The Hongkong and Shanghai Banking Corporation Limited	Level 5, HSBC Building, 968 Rama IV Road, Bangrak Bangkok 10500, Thailand
Tunisia	Banque Internationale Arabe de Tunisie	70-72, Avenue Habib Bourguiba 1080 Tunis Tunisia
Turkey	Deutsche Bank A.S.	Esentepe Mahallesi Büyükdere Caddesi Tekfen Tower No:209 K:17 Sisli TR-34394-Istanbul, Turkey
U.A.E.	HSBC Bank Middle East Limited, Dubai	Emaar Square, Building 5, Level 4 PO Box 502601 Dubai, United Arab Emirates
U.K.	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch	Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
U.K.	The Bank of New York Mellon	225 Liberty Street New York, NY 10286, United States
U.S.A.	The Bank of New York Mellon	225 Liberty Street New York, NY 10286 United States
U.S.A. Precious Metals	HSBC Bank, USA, N.A.	452 Fifth Avenue, New York, NY 10018
Uganda	Stanbic Bank Uganda Limited	Plot 17 Hannington Road Short Tower- Crested Towers P.O. Box 7131, Kampala, Uganda
Ukraine	Public Joint Stock Company "Citibank"	16G Dilova Street 03150 Kiev Ukraine

Uruguay	Itaú Unibanco S.A.	Av. Brigadeiro Faria Lima, 3400 São Paulo - SP, CEP: 04538-132, Brazil
Venezuela	Citibank N.A., Sucursal Venezuela	Av. Casanova, Centro Comercial El Recreo Torre Norte, Piso 19 Sabana Grande, Caracas 1050 D.C. Venezuela
Vietnam	HSBC Bank (Vietnam) Ltd	The Metropolitan, 235 Dong Khoi Street District 1, Ho Chi Minh City, Vietnam
Zambia	Stanbic Bank Zambia Limited	Stanbic House, Plot 2375, Addis Ababa Drive P.O Box 31955 Lusaka, Zambia
Zimbabwe	Stanbic Bank Zimbabwe Limited	59 Samora Machel Avenue, Harare, Zimbabwe

## APPENDIX VIII

### DIRECTORY

**Manager:**

Close Asset Management (UK) Limited  
10 Crown Place  
London  
EC2A 4FT

**Trustee:**

BNY Mellon Trust & Depositary (UK) Limited  
One Canada Square  
Canary Wharf  
London E14 5AL

**Investment Manager:**

OLIM Limited  
15 Berkeley Street  
London W1J 8DY

**Administrator:**

The Bank of New York Mellon (International) Limited  
Capital House  
Festival Square  
Edinburgh EH3 9SU

**Manager's Contact Address of Dealing and Correspondence:**

Close Asset Management (UK) Limited  
PO Box 367  
Darlington  
DL1 9RG

**Auditors:**

Deloitte LLP  
Hill House  
1 Little New Street  
London  
EC4A 3TR