

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

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

**PROSPECTUS
OF
IFSL MARLBOROUGH GLOBAL INNOVATION FUND**

**(An open-ended investment company
incorporated with limited liability and
registered in England and Wales
under registered number IC219)**

This document constitutes the Prospectus for IFSL Marlborough Global Innovation Fund which has been prepared in accordance with the Collective Investment Schemes Sourcebook.

This Prospectus is dated, and is valid as at 12 August 2024.

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

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THIS PROSPECTUS IS IMPORTANT.
IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR YOUR FINANCIAL ADVISER.

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

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

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

The provisions of the Instrument of Incorporation are binding on each of the shareholders and a copy of the Instrument of Incorporation is available on request from Investment Fund Services Limited.

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

This Prospectus is based on information, law and practice as at the date "valid as at date" which appears on the front cover and below. The Company and ACD cannot be bound by a prospectus which is out of date when a new version has been issued and investors should check with Investment Fund Services Limited that this is the most recently published prospectus.

US Tax Reporting

The Company is required to comply with certain reporting requirements in order to avoid a 30% US withholding tax on interest income and the proceeds of sales of US securities and other US financial instruments. Complying with such requirements may require the Company to request certain information and documentation from Shareholders, and to agree to provide such information and documentation to the IRS if requested to do so. Any Shareholder that fails to provide the required information may be subject to a compulsory redemption of their shares and/or mandatory penalties.

Shares have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered or sold in the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia or offered or sold to US Persons (as defined below). The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The ACD has not been and will not be registered under the United States Investment Advisers Act of 1940.

A "U.S Person" means any citizen or resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income tax, regardless of source. The expression also includes any person falling within the definition of the term "U.S Person" under Regulation S promulgated under the United States Securities Act of 1933.

This Prospectus is dated and valid as at 12 August 2024.

1. **DEFINITIONS**

“ACD”	Investment Fund Services Limited, the authorised corporate director of the Company
“ACD Agreement”	An agreement between the Company and the ACD
“Administrator”	SS&C Financial Services International Limited
“Approved Bank”	(in relation to a bank account opened by the Company): (a) if the account is opened at a branch in the United Kingdom: (i) the Bank of England; or (ii) the central bank of a member state of the OECD; or (iii) a bank; or (iv) a building society; or (v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or (b) if the account is opened elsewhere: (i) a bank in (a); or (ii) a credit institution established in an EEA State 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
“Auditor”	Ernst & Young LLP or such other entity as is appointed to act as auditor to the Company from time to time
“Business day”	Monday to Friday excluding UK public and bank holidays or any day on which the London Stock Exchange is not open and excluding the last trading day before the 25th December or any day on which the ACD has notified the Depositary that it is not open for normal business or otherwise agreed between the ACD and the Depositary. In addition, also excluding US Federal holidays when the New York Stock Exchange is closed. A list of such days treated as non-business days can be obtained from the ACD upon request. For

	settlement only, US Federal holidays will be counted as a “Business Day”
“Class” or “Classes”	in relation to Shares, means (according to the context) all of the Shares related to the Company or a particular class or classes of Share related to the Company
“COLL”	refers to the appropriate chapter or rule in the COLL Sourcebook
“the COLL Sourcebook”	the Collective Investment Schemes Sourcebook issued by the FCA as amended, restated, re-enacted or replaced
“Company” or “Fund”	IFSL Marlborough Global Innovation Fund
“Dealing Day”	9 a.m. to 5 p.m. on any Business Day
“Depository”	HSBC Bank plc, or such other entity as is appointed to act as Depository
“Director” or “Directors”	the directors of the Company from time to time (including the ACD)
“EEA State”	a member state of the European Union and any other state which is within the European Economic Area
“Efficient Portfolio Management” or “EPM”	an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost or generation of additional income with an acceptably low level of risk
“Eligible Institution”	one of certain eligible institutions as defined in the glossary of definitions to the FCA Handbook
“the FCA”	the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time
“the FCA Handbook”	the FCA Handbook of Rules and Guidance, as amended from time to time
“ICVC”	investment company with variable capital
“Instrument of Incorporation”	the instrument of incorporation of the Company as amended from time to time
“Investment Manager”	Marlborough Investment Management Limited, the investment manager in respect of the Company

“Leverage”	means any method by which exposure of the Company or a Fund is increased whether through borrowing of cash or transferrable securities or leverage embedded in derivative positions or by any other means;
“Net Asset Value” or “NAV”	the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Instrument of Incorporation
“OEIC Regulations”	the Open-Ended Investment Companies Regulations 2001 as amended or re-enacted from time to time
“Register”	means the Register of Shareholders of the Company
“Registrar”	SS&C Financial Services International Limited
“Regulated Activities Order”	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544)
“Regulations”	the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook)
“Scheme Property”	the Scheme Property of the Company required under the COLL Sourcebook to be given for safekeeping to the Depositary
“SDRT”	stamp duty reserve tax
“Share” or “Shares”	a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one thousandth of a larger denomination share)
“Shareholder”	a holder of registered Shares in the Company
“Sub-Investment Manager”	Canaccord Genuity Asset Management Limited, the Sub-Investment Manager in respect of the Company
“Switch”	the exchange where permissible of Shares of one Class for Shares of another Class
“UCITS”	means an Undertaking for Collective Investment in Transferable Securities. This will include a UCITS Scheme or an EEA UCITS scheme, as defined in the Financial Conduct Authority Handbook
“UCITS Directive”	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for

collective investment in transferable securities (UCITS) (No. 2009/65) (as amended)

“UCITS Scheme”

means a UK UCITS, as defined in the FCA Handbook

“UK UCITS”

means, in accordance with sections 236A and 237 of the Financial Services and Markets Act 2000, a collective investment scheme which may consist of several sub-funds, which is either an authorised unit trust scheme, an authorised contractual scheme, or an authorised open-ended investment company with the sole object of collective investment of capital raised from the public in transferable securities or other liquid financial assets, operating on the principle of risk-spreading, with units or shares which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings’ assets, and which has identified itself as a UCITS in its prospectus and has been authorised accordingly by the FCA

“Valuation Point”

the point on a Dealing Day whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed. The current Valuation Point is 12 midnight (London time) on each Dealing Day

“VAT”

value added tax

2. DETAILS OF THE COMPANY

2.1 General information

2.1.1 General

IFSL Marlborough Global Innovation Fund (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC219 and authorised by the Financial Conduct Authority with effect from 28 March 2003 under the Product Reference Number: 200203. The Company has an unlimited duration. The Company was previously called the “CF Techinvest Technology Fund”, the “MFM Techinvest Technology Fund” and the “Marlborough Technology Fund” and the “Marlborough Global Innovation Fund”.

Shareholders are not liable for the debts of the Company.

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

2.1.2 **Head Office**

The head office of the Company is at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP.

2.1.3 **Address for Service**

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

2.1.4 **Base Currency**

The base currency of the Company is Pounds Sterling.

2.1.5 **Share Capital**

Maximum	£100,000,000,000
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Minimum	£1
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Shares have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value.

Shares in the Company 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 ACD so decides.

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

2.2 **The structure of the Company**

2.2.1 **The Company**

The Company is a stand alone open-ended investment company.

The Company is a UCITS Scheme.

Details of the Company including its investment objective and policy are set out in Appendix I.

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

2.2.2 Shares

Classes of Share within the Company

Shares will be issued in larger and smaller denominations. There are 1,000 smaller denomination Shares to each larger denomination Share. Smaller denomination Shares represent what, in other terms, might be called fractions of a larger Share and have proportionate rights.

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

Further Classes of Share may be established from time to time by the ACD with the approval of the FCA, the agreement of the Depositary and in accordance with the Instrument of Incorporation. 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 Shares 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 Shares.

The Company may issue Class A, Class B and Class P income and accumulation Shares, although only Class A and Class P accumulation Shares are currently in issue. Further details of the Shares presently available, including details of their criteria for subscription and fee structure, are set out in Appendix I.

A Regular Savings Plan is available on certain Classes of Share. Details of which Share Classes are set out in Appendix I.

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

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

The Instrument of Incorporation allows gross income and gross accumulation Shares to be issued, as well as net income and net accumulation Shares, but currently none are in issue. Net Shares are Shares in respect of which income allocated to them is distributed periodically to the relevant Shareholders (in the case of income Shares) or credited periodically to capital (in the case of accumulation Shares), in either case in accordance with relevant tax law, net of any tax deducted or accounted for by the Company. Gross Shares are income or accumulation Shares where, in accordance with relevant tax law, distribution or allocation of income is made without any tax being deducted or accounted for by the Company. All references in this Prospectus are to net Shares unless otherwise stated.

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

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

Investor profile

The Company is suitable for retail investors, professional investors and eligible counterparties whose investment requirements are aligned with the objectives, policies and risk profiles of the Company. The Company will be distributed primarily via fund platforms, wealth managers, discretionary fund managers and financial institutions. The Company has no complex features or guarantees and investors do not necessarily need to have investment experience however a basic understanding of investment markets, the kind of underlying investments of the Company and the risks involved in investment is important.

This Prospectus contains detail on the Company's objectives, investment strategies, risks, performance, distribution policy and fees and expenses. All investors are expected to have also read the Key Investor Information Document (KIID) which is intended to help investors understand the nature and risks of investing in the Company.

The Company may not be suitable for certain investors, including but not limited to those whose objectives and needs are not consistent with the nature of the Company, those who are unable to commit capital for a sufficient term or do not have sufficient resources to bear any loss which may result from an investment in the Company. The Company is also not committed to meeting any specific ethical, social, religious or environmental restrictions which some investors may be seeking.

Further information on the intended target market for the Company is available from the ACD upon request. If you are in any doubt as to the suitability of the Company, you should consult an appropriately qualified financial adviser prior to making an investment.

Investors must be able to accept some risk to their capital, thus the Company may only be suitable for investors who are looking to set aside their capital for at least 5 years.

All investors will, subject to the ACD's discretion, need to meet the applicable investment requirements set out in Appendix I.

3. BUYING, REDEEMING AND SWITCHING SHARES

The dealing office of the ACD is normally open from 9.00 a.m. to 5.00 p.m. (London time) on each business day to receive postal requests for the purchase, sale and switching of Shares. The ACD may vary these times at its discretion.

Applications may be made by completing an application form and delivering it to the ACD, marked for the attention of Investment Fund Services Limited, Marlborough House, 59 Chorley New Road, Bolton BL1 4QP, by facsimile on 01204 533 045 or by email to dealing@ifslfunds.com. The ACD may also, at its sole discretion, accept instructions by telephone on 0808 164 5458 (overseas +44 1204 329 443) between 9.00am and 5.00pm on any Business Day on such terms as it may specify. Application forms are available from the ACD at its website at www.ifslfunds.com or by telephone on

0808 178 9321 (overseas +44 1204 803 932). The ACD may require telephone or electronic requests to be confirmed in writing.

Telephone calls will be recorded. The ACD may also, at its discretion, introduce further methods of dealing in Shares in the future.

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

3.1 **Money laundering**

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

The ACD will, where possible, verify identity using information from credit reference agencies. Where this is not possible or where the ACD decides, at its own discretion, that it is appropriate further documentation will be requested.

3.2 **Buying Shares**

3.2.1 **Procedure**

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. Where permitted by the FCA rules any intermediary who recommends an investment in the Company to Shareholders may be entitled to receive a payment from the ACD, and an ongoing payment, based on the value of Shares held may also be paid to qualifying intermediaries. In addition, the ACD may from time to time make arrangements to allow Shares to be bought through other communication media. For details of dealing charges see paragraph 3.5 below. Application forms may be obtained from the ACD.

Valid applications to purchase Shares in the Company will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the application, except in the case where dealing in the Company has been suspended as set out in paragraph 3.11.

The cut-off time for the purposes of placing deals is 5pm (UK time).

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue and any loss arising on such cancellation shall be the liability of the applicant. For postal applications payment in full must accompany the instruction. At the

ACD's discretion, payment for large purchases of Shares may be made by telegraphic transfer.

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

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

Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an applicant (except for those investors who subscribe through the Regular Savings Plan) decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested. Investors who invest through the Regular Savings Plan will be entitled to cancel their first subscription only; if a Regular Saver decides to cancel their contract within 14 days after the date on which they receive the cancellation notice then they will receive back the full amount of their initial subscription. The ACD may extend cancellation rights to other investors but is under no obligation to do so.

3.2.2 Documents the buyer will receive

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

Registration of Shares can only be completed by the ACD upon receipt of any required registration details. These details may be supplied in writing to the ACD.

Settlement is due within 4 business days of the Valuation Point. An order for the purchase of Shares will only be deemed to have been accepted by the ACD once it is in receipt of cleared funds for the application. If settlement is not made within a reasonable period, then the ACD has the right to cancel any Shares issued in respect of the application.

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

3.2.3 **Regular Savings Plan**

The ACD may make available certain Classes of Shares through the Regular Savings Plan (details of current Classes of Shares which are available are shown in Appendix I). Further information on how to invest through the Regular Savings Plan is available from the ACD.

3.2.4 **Minimum subscriptions and holdings**

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

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

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

3.3 **Redeeming Shares**

3.3.1 **Procedure**

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

Valid instructions to the ACD to redeem Shares will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the instruction, except in the case where dealing has been suspended as set out in paragraph 3.11.

The cut-off time for the purposes of redeeming Shares is 5pm (UK time).

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

For details of dealing charges see paragraph 3.5 below.

3.3.2 **Documents a redeeming Shareholder will receive**

A confirmation giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case

of a joint holding, by all the joint Shareholders) no later than the end of the business day following the Valuation Point by reference to which the price is determined.

Payment of redemption proceeds will normally be made by cheque, or, at the ACD's discretion, via telegraphic transfer in accordance with any instruction received (the ACD may recover any bank charge levied on such transfers). In the case of joint Shareholders the ACD will normally make payment to all those joint Shareholders. Where written instruction signed by all named Shareholders is received, the ACD may, at its discretion, make payment to individual Shareholders. Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

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

3.3.3 **Minimum redemption**

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

3.4 **Switching**

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

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

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

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

may agree. Switching requests received after a Valuation Point will be held over until the next day which is a Dealing Day.

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

In certain circumstances the ACD may mandatorily convert a shareholder's investment from one share class into another share class. The ACD will only undertake such a conversion where the proposed share class has identical or preferential terms and the ACD will provide shareholders with no less than 60 days' notice

A Shareholder who switches between Classes of Shares will not be given a right by law to withdraw from or cancel the transaction.

3.5 **Dealing Charges**

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

3.5.1 **Initial charge**

The ACD may impose a charge payable by the Shareholder on the issue of Shares (the "initial charge") in the Fund. If an initial charge is applied, it will be deducted from the investment proceeds at the outset and is calculated as a percentage of the price of a share. The current initial charge applicable to the Share Classes is set out in Appendix I. The ACD may waive or discount the initial charge at its discretion.

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

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

From the initial charge received, or out of its other resources, the ACD may make a payment to relevant intermediaries including the Investment Manager and its Associates.

3.5.2 **Redemption Charge**

The ACD may make a charge on the redemption of Shares in each Class. At present, no redemption charge is levied.

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

3.5.3 **Charges on Switching**

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

There is currently no charge for switching Shares in one Class for Shares in another Class.

3.5.4 **Dilution Adjustment**

What is 'dilution'? - Where the Company buys or sells underlying investments in response to a request for the issue or redemption of Shares, they will generally incur a cost (diluting the value of the Company), made up of dealing costs and any spread between the bid and offer prices of the investments concerned, which is not reflected in the purchase or redemption price paid by or to the Shareholder and which is referred to as "dilution".

To mitigate the effect of dilution on the Company as explained above, the ACD will recover the costs of dilution from investors on the issue or redemption of Shares in the Company. Instead of making a separate charge to investors when Shares in the Company are bought and sold, COLL permits the ACD to move the price at which Shares are bought or sold on any given day. The single price can be swung higher or lower at the discretion of the ACD on the sale or redemption of Shares in the Company. This price movement from the mid-market price is known as the dilution adjustment. Any dilution adjustment applied is included in the price applied to the deal and is not disclosed separately.

The dilution adjustment for the Company will be calculated by reference to the estimated costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes. The need to apply the dilution adjustment will depend on the volume of sales (Shares issued) or redemptions.

What is the ACD's policy regarding dilution adjustment?

Where applied, the amount of any swing is based on the estimated costs of dealing in the underlying investments of the Company, including any dealing spreads, taxes or broker commissions (for example). In particular, the ACD may swing the price (make a dilution adjustment) in the following circumstances:

- in the case of a "large deal" relative to the Company's size, where the potential cost to the Company justifies the application of an adjustment;
- if the net effect of Share issues and redemptions during the period between two valuation points represents a potential impact on ongoing Shareholders;
- where the Company is in decline (i.e. is experiencing a net outflow of investment);

- where there are inflows into the Company (i.e. is experiencing a net inflow of investment);
- in any other case where the ACD believes that adjusting the Share price is required to safeguard the interests of Shareholders.

As the requirement to swing the price is directly related to the net issue and sale of Shares in the Company, it is not possible to accurately predict when or how often dilution will occur in the future, however the ACD anticipates this to be infrequent.

How will it affect Shareholders? On the occasions that the dilution adjustment is not applied there may be an adverse impact on the total assets of the Company which may otherwise constrain the future growth of the Company. The ACD's dilution policy was introduced on 25th March 2021 for the Company, therefore historic information on dilution adjustments made to Share prices is not currently available and as a result the ACD is unable to accurately predict the likelihood of a dilution adjustment being applied, however the ACD anticipates this to be infrequent. Any dilution adjustment will be applied consistently and, in the usual course of business, automatically.

The ACD estimates dilution adjustments applicable to the redemption and purchase of Shares will be -0.5068% and 0.5264% respectively, based on the assets held in the Company and the market conditions at the 30th April 2024.

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

The ACD will review the dilution adjustment on a quarterly basis, however it may at its discretion re-evaluate the adjustment in the event of significant market movement. The ACD may alter its current dilution adjustment policy by giving Shareholders notice and amending the prospectus at least 60 days before the change to the dilution policy is to take effect.

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

There is generally no stamp duty reserve tax (SDRT) charge on the acquisition or surrender of Shares but SDRT can arise on:

- **Third party transfers of Shares without reregistration**

Where a third party buys Shares from a Shareholder and the transaction is not handled by the ACD (i.e. a third party purchase where only beneficial ownership of the Shares change) then the principal SDRT charge on agreements to transfer for consideration will still apply at 0.5%.

- **Non-pro rata in specie redemptions**

Non-pro rata in specie redemptions are subject to the principal SDRT charge at 0.5% on any chargeable securities acquired by the redeeming Shareholder.

3.6 **Transfers**

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. Completed

instruments of transfer must be returned to the ACD in order for the transfer to be registered by the ACD. The ACD may refuse to register a transfer unless any provision for SDRT due has been paid.

3.7 **Restrictions and Compulsory Transfer and Redemption**

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Company incurring any liability to taxation which the Company is not able to recoup itself or suffering any other adverse consequence. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, redemption, transfer or switching of Shares.

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

- (a) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) would result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (c) are held in any manner by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case;

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

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

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

Where the ACD decides to close a share class in the Fund, the ACD may mandatorily redeem a shareholder's investment. The ACD will provide shareholders with no less than 30 days' notice prior to the redemption.

3.8 Deferred redemption

If redemptions in the Fund on a particular Dealing Day exceed 10% of the Fund's value, the ACD may, with the prior agreement of the Company's Depositary, or if the Depositary so requires, defer redemptions to the next valuation point in accordance with the FCA's COLL rules.

Any such deferral is undertaken in such a manner as to ensure the consistent treatment of all Shareholders who have sought to redeem Shares at the valuation point at which redemptions are deferred. All deals relating to the earlier valuation point are completed before these relating to a later valuation point are considered.

The intention of a deferred redemption is to reduce the impact of dilution on the Fund. In times of high levels of redemption, deferred redemption enables the ACD to protect the interests of continuing Shareholders and potential Shareholders, by allowing the ACD to match the sale of the Fund's property to the level of redemptions of Shares in the Fund.

3.9 Issue of Shares in exchange for in specie assets

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

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

The ACD will not issue Shares in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Company.

3.10 In specie redemptions

If a Shareholder requests the redemption of Shares, the ACD may, if it considers the deal is substantial in relation to the total size of the Fund, arrange for the Fund to cancel the Shares and transfer Scheme Property to the Shareholder instead of paying the price of the Shares in cash, or, if required by the Shareholder, pay the net proceeds of sale of the relevant Scheme Property to the Shareholder.

A deal involving Shares representing 5% or more in value of the Fund will normally be considered substantial. However, the ACD may at its discretion agree an in specie redemption with a Shareholder whose Shares represent less than 5% in value of the Fund.

In such cases, the ACD will serve a notice on the Shareholder within two Business Days of receipt of the redemption instruction that it proposes to make an in specie redemption and setting out the Scheme Property to be transferred to the Shareholder. The Shareholder may within four Business

Days of receiving the notice serve a notice on the ACD requiring the ACD to sell the selected Scheme Property and pay the proceeds to the Shareholder.

The ACD will select the property to be transferred (or sold) in consultation with the Company's Depositary. The ACD must ensure that the property selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing Shareholders.

3.11 **Suspension of dealings in the Company**

The ACD may, with the prior agreement of the Company's Depositary, or must if the Depositary so requires, temporarily suspend, without prior notice to Shareholders, the issue, cancellation, sale and redemption of Shares in the Company, if the ACD or the Depositary is of the opinion that due to exceptional circumstances there is good and sufficient reason to do so, having due regard to the interests of Shareholders. For example, but without limitation, on the closure or suspension of dealing on a relevant stock exchange, or the inability of the ACD to ascertain properly the value of any or all of the assets or realise any material part of the assets of the Fund.

The ACD will notify Shareholders as soon as it is practicable of any decision to suspend dealings and the exceptional circumstances which have led to the decision to do so. The ACD and Depositary will keep the suspension under ongoing review and will conduct a formal review of the reasons for the suspension at least every 28 days. Shareholders will be kept informed in writing of updates concerning any suspension. The FCA will be notified immediately of any suspension of dealing in Shares and will be kept informed of the results of the formal reviews conducted by the ACD and Depositary.

Re-calculation of the Share price for the purpose of dealings in Shares will commence on the next valuation point following the ending of the suspension.

During any suspension, the ACD will permit a Shareholder to withdraw any redemption request provided that this withdrawal is in writing and is received before the period of suspension ends. Any redemption request not withdrawn will be dealt with on the first Dealing Day following the end of the suspension.

3.12 **Governing law**

All deals in Shares are governed by the law of England and Wales.

4. **VALUATION OF THE COMPANY**

4.1 **General**

The price of a Share is calculated by reference to the Net Asset Value. The Company will be valued daily on each business day. The Net Asset Value per Share is currently calculated at 12 midnight (London time) (this being the Valuation Point) on each Dealing Day.

The ACD may at any time during a business day carry out an additional valuation if it considers it desirable to do so. The ACD shall inform the Depositary of any decision to carry out any such additional valuation. Valuations may be carried out for effecting a scheme of amalgamation or reconstruction which do not create a Valuation Point for the purposes of dealings. Where permitted and subject to the Regulations, the ACD may, in certain circumstances (for example where a

significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

The ACD will, upon completion of each valuation, notify the Depositary of the price of Shares, of each Class.

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

4.2 Calculation of the Net Asset Value

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

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

4.2.2 Scheme Property which is not cash (or other assets dealt with in paragraph 4.2.2.4 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

4.2.2.1 Units or shares in a collective investment scheme:

- (a) if a single price for buying and redeeming units or shares is quoted, at that price; or
- (b) if separate buying and redemption prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the redemption price has been increased by any exit or redemption charge attributable thereto; or
- (c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;

4.2.2.2 Any other transferable security:

- (a) if a single price for buying and redeeming the security is quoted, at that price; or
- (b) if separate buying and redemption prices are quoted, at the average of the two prices; or
- (c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or, if the most recent price available does not reflect the ACD's best estimate of the value of

- the security, at a value which, in the opinion of the ACD, is fair and reasonable;
- 4.2.2.3 Scheme Property other than that described in paragraphs 4.2.2.1 and 4.2.2.2 above, at a value which, in the opinion of the ACD, is fair and reasonable;
- 4.2.2.4 Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.
- 4.2.3 Scheme Property which is a contingent liability transaction shall be treated as follows:
- 4.2.3.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net valuation of premium receivable. If the Scheme Property is an off exchange option the method of valuation shall be agreed between the ACD and the Depositary;
- 4.2.3.2 if it is an off exchange future, include it at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
- 4.2.3.3 if it is any other form of contingent liability transaction, include it at the net value of margin on closing out (whether as a positive or negative value). If the Scheme Property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.
- 4.2.4 In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 4.2.5 Subject to paragraphs 4.2.6 and 4.2.7 below, agreements for the unconditional sale or purchase of Scheme Property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and if, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
- 4.2.6 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 4.2.5.
- 4.2.7 All agreements are to be included under paragraph 4.2.5 which are, or ought reasonably to have been, known to the person valuing the Scheme Property.
- 4.2.8 Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT, stamp duty, SDRT and any foreign taxes or duties.
- 4.2.9 Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon, treating periodic items as accruing from day to day.

- 4.2.10 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.
- 4.2.11 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 4.2.12 Add any other credits or amounts due to be paid into the Scheme Property.
- 4.2.13 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
- 4.2.14 Currencies or values in currencies other than Sterling shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

4.3 **Price per Share in each Class**

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

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

4.4 **Pricing basis**

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

4.5 **Publication of Prices**

The prices of all Shares may be obtained from the ACD's website www.ifslfunds.com or by calling 0808 145 2500. As the ACD deals on a forward pricing basis, the price that appears on this website will not necessarily be the same as the one at which investors can currently deal.

5. **RISK FACTORS**

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

5.1 **General risk factors**

- 1) Past performance is not necessarily a guide to future performance. Investments and the income derived from them can fall as well as rise and you may not get back the amount

originally invested. This may be due, for example, to market movement or variations in the exchange rates between currencies.

- 2) There is no certainty that a Fund's investment objective will be achieved.
- 3) If you have any doubts about the suitability of an investment, please contact your authorised financial adviser. Please note Investment Fund Services Limited does not provide investment advice.
- 4) The Funds will be exposed to stock markets and market conditions can change rapidly. Prices can move irrationally and be affected unpredictably by diverse factors, including political and economic events.
- 5) Where a Fund pays out income, the level of income payments may not be constant and may fluctuate.
- 6) For Funds where the annual management charge is to be taken from the income generated by the Fund and there is insufficient income within the Fund to meet that charge, the balance will be deducted from the Fund's capital and to that extent may erode or constrain capital growth.
- 7) For Funds where the annual management charge is to be taken from capital rather than income, either fully or partially, the future growth of these Funds may be constrained, or capital eroded, as a result.
- 8) Where Funds are subject to an initial charge, the charge is deducted from an investment at the outset and an equivalent rise in the value of the Shares is required before the original investment can be recovered. The Funds should therefore be viewed as a long-term investment.
- 9) Funds typically have exposure to overseas markets, either directly or indirectly, and are therefore exposed to currency risk. As a result, the value of your investment can be affected by changes in exchange rates.
- 10) Inflation will affect the real value of your savings and investments, which may reduce the buying power of the money you have saved and your investments. i.e. £1 in the future may not be equivalent to £1 today.
- 11) The Funds' investments, be they held directly or indirectly, may be subject to liquidity constraints, which means that the investments may trade infrequently and in small volumes, or that a particular instrument is difficult to buy or sell. Investments which are normally liquid may also be subject to periods of disruption in difficult market conditions. As a result, changes in the value of investments may be unpredictable and, in certain circumstances, it may be difficult to sell an investment at the last market price quoted or at a value considered

by the Investment Manager to be fair. This may lead to liquidity constraints on the Fund affected.

- 12) Where assets are held in custody, there may be a risk of loss resulting from the insolvency, negligence or fraudulent action of the custodian or sub-custodian.
- 13) A Fund will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. The Funds may enter into transactions in over-the-counter markets which will expose them to the credit of its counterparties and their abilities to satisfy the terms of such contracts.
- 14) Where Funds have a relatively small number of holdings, this can make them more volatile than funds with greater diversification.
- 15) ISA Investments - The favourable tax treatment of ISAs may not be maintained indefinitely. If you are unsure of your tax position you should consult a tax adviser.
- 16) The summary of the UK tax treatment in section "Taxation" is based on current law and practice, as at the date of the prospectus, which is subject to change. It does not consider individual circumstances which may affect the UK tax treatment. In particular, the levels of relief from taxation may depend upon individual circumstances. Tax advantages associated with fund structures may be changed by future legislation as may those associated with the underlying investments and their domicile.
- 17) The Funds may incur Leverage, through borrowing cash up to 10% of the value of the Scheme Property, in which case a Fund's exposure may be increased by reinvesting such cash borrowings. If the interest costs associated with the borrowings are greater than any investment income and gains earned on investments made through the use of borrowing, the value of the Shares in a Fund may decline more rapidly than would otherwise be the case.
- 18) The Funds may be subject to Leverage, through investment in derivatives, which may increase risk. Leverage means that the return or loss on an investment is subject to a multiplier increasing exposure to that investment and magnifying the volatility and risk of loss should the value of that investment decline. The use of Leverage creates special risks and may significantly increase a Fund's investment risk. Leverage may create an opportunity for greater yield and total return but, at the same time, will increase the exposure of a Fund to capital risk. The Funds may be subject to Leverage through the use of derivatives for hedging or for investment purposes. The Leverage limits are disclosed in the "Investment and Borrowing Powers" section.
- 19) The value of Funds may be affected by uncertainties such as international political developments, civil conflicts and war, changes in government policies, restrictions on foreign investment and other developments in the laws and regulations of countries in which investments may be made.
- 20) The operations of Funds can be subject to human error, faulty processes or governance, or technological failures. Operational risks may subject the Fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are

detected it may prove impractical to recover prompt or adequate compensation from those responsible.

- 21) Funds may be subject to management risk as they are actively managed investment funds. When managing a Fund and applying investment techniques and risk analyses, the Investment Manager's assessment of market or economic trends, their choice or design of any software models they use, their allocation of assets, or other decisions regarding how the Fund's assets will be invested cannot be guaranteed to ensure positive returns on investments.
- 22) In extreme market conditions redemptions in the Fund may be deferred or suspended, where Funds invest in other collective investment schemes, such as other funds and investment trusts, redemptions in these underlying funds may also be deferred or suspended, which may affect the liquidity of the Funds.
- 23) Cyber security risks may result in:
 - financial losses to the Funds and the Shareholders;
 - the inability of a Fund to transact business with its Shareholders;
 - delays or mistakes in the calculation of the prices or to other materials provided to Shareholders;
 - the inability to process transactions with Shareholders or the parties;
 - violations of privacy and other laws;
 - regulatory fines, penalties and reputational damage; andcompliance and remediation costs, legal fees and other expenses. The Fund's service providers (including but not limited to the ACD and the Depositary and their agents), financial intermediaries, companies in which the Funds invest and parties with which the Funds engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own business, which could result in losses to the Funds or the Shareholders.
- 24) While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since the Funds do not directly control the cyber security defences or plans of its service providers, financial intermediaries and companies in which the Funds invest or with which it does business.
- 25) Where cancellation rights are applicable, if you choose to exercise your cancellation rights and the value of your investment falls before notice of cancellation is received by us in writing, a full refund of the original investment will not be provided but rather the original amount less the fall in value.
- 26) The ACD does not permit the Funds to be used for the purposes of "market timing". For this purpose, market timing is defined as a trading strategy with the intention of taking advantage of short term changes in market prices. The ACD will undertake monitoring activities to ensure that market timing does not take place in relation to the Funds.
- 27) The ACD, the Investment Manager, and other partners may deal in assets which they have, directly or indirectly, an interest which may involve a potential conflict with the ACD's duty. The ACD and the Investment Manager(s) will ensure that such deals are completed on terms which are not less favourable to the Fund than if the potential conflict had not existed. Such

potential conflicts or duties may arise because the ACD or the Investment Manager(s) may have invested directly or indirectly in the Fund.

5.2 Fund specific risk factors

IFSL Marlborough Global Innovation Fund

- a) Whilst shares investments carry potential for attractive returns over the longer term, the volatility of these returns can also be relatively high.
- b) The Fund will be exposed to smaller companies which are typically riskier than larger, more established companies. Difficulty in trading may arise, resulting in a negative impact on your investment. Shares in smaller companies may be harder to sell at a desired price and/or in a timely manner, especially in difficult market conditions.
- c) Funds with exposure to less developed overseas markets pose greater investment risk than funds invested in larger and more established markets.

6. MANAGEMENT AND ADMINISTRATION

6.1 Regulatory Status

The ACD and the Depositary are authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN.

6.2 Authorised Corporate Director

6.2.1 General

The ACD is Investment Fund Services Limited which is a private company limited by shares incorporated in England and Wales on 16th February 2007.

Registered Office:	Marlborough House, 59 Chorley New Road, Bolton BL1 4QP
Share Capital:	It has a share capital of £4,010,000 issued and paid up.
Ultimate Holding Company:	UFC Fund Management Plc, a company incorporated in England and Wales.

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

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 Company (as further explained in paragraph 6.4 below).

6.2.2 **Terms of Appointment:**

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

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

The ACD Agreement may be terminated by either party after the expiry of three years from the date of incorporation of the Company on not less than twelve months written notice or earlier upon the happening of certain specified events. The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach of duty or breach of trust in relation to the Company on its part. The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, wilful default, breach of duty or breach of trust in the performance of its duties and obligations. Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.

Details of the fees payable to the ACD are set out in paragraph 7.2 “Charges payable to the ACD” below.

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

The Company has no directors other than the ACD. The ACD is the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix IV.

6.2.3 **Remuneration Policy**

The ACD has put in place a remuneration policy (the “Remuneration Policy”) that is in accordance with the requirements of SYSC 19 E of the FCA Handbook. The Remuneration Policy is designed to ensure that the ACD’s remuneration practices are consistent with and promote sound and effective risk management, do not encourage risk taking and are consistent with the risk profile of the Fund. The ACD considers the Remuneration Policy to be appropriate to the size, internal operations, nature scale and complexity of the Fund and in line with the risk profile, risk appetite and the strategy of the Fund.

The matters covered by the Remuneration Policy include:

- 6.2.3.1 An assessment of the individual member of staff’s performance;
- 6.2.3.2 restrictions on the awarding of guaranteed variable remuneration;
- 6.2.3.3 the balance between fixed and variable remuneration;

- 6.2.3.4 any payment of remuneration in the form of units or shares in the Fund;
- 6.2.3.5 any mandatory deferral periods for the payment of some or all of the variable remuneration component;
- 6.2.3.6 the reduction or cancellation of remuneration in the case of under performance.

The Remuneration Policy will apply to the fixed and variable (if any) remuneration received by the identified staff.

The ACD will make the latest version of the Remuneration Policy available on its website, www.ifslfunds.com, including a description of how remuneration and benefits are calculated and the identity of the persons responsible for awarding the remuneration and benefits. The ACD will provide paper copies free of charge upon written request to its operating address.

In respect of any investment management delegates, the ACD requires that:(i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the European Securities and Market's (ESMA's) Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD / Article 14 of the UCITS Directive; or (ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines or the FCA Handbook.

6.3 The Depositary

6.3.1 General

Pursuant to the agreement dated 13th October 2016 (as novated) between the Company, the ACD and the Depositary (the "Depositary Services Agreement") and for the purposes of and in compliance with the Regulations, the Depositary has been appointed as the Depositary to the Company. The appointment of the Depositary under the Depositary Services Agreement may be terminated without cause by not less than 6 months written notice provided that the Depositary Services Agreement does not terminate until a replacement Depositary has been appointed.

The Depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The Depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the Depositary is the provision of financial services, including trustee and depositary services. The Depositary is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The fees to which the Depositary is entitled are set out below under the heading "Ranges of charges".

6.3.2 **Key Duties of the Depositary**

The Depositary provides services to the Company as set out in the Depositary Services Agreement and, in doing so, shall comply with the Regulations. The Depositary's duties include the following:

- 6.3.2.1 ensuring that the Company's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to shares of the Company have been received.
- 6.3.2.2 safekeeping of the Scheme Property, which includes:
 - (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary;
 - (b) verifying the ownership of other assets and maintaining records accordingly.
- 6.3.2.3 ensuring that issues, redemptions and cancellations of the shares of the Company are carried out in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.
- 6.3.2.4 ensuring that in transactions involving Scheme Property any consideration is remitted to the Company within the usual time limits.
- 6.3.2.5 ensuring that the value of the shares of the Company is calculated in accordance with the Regulations.
- 6.3.2.6 carrying out the instructions of the ACD unless they conflict with the Instrument of Incorporation, the Prospectus or the Regulations.
- 6.3.2.7 ensuring that a Company's income is applied in accordance with the Regulations.

6.3.3 **Delegation of safekeeping function**

The Depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement. The Depositary has delegated to a number of delegates the custody of certain Scheme Property entrusted to the Depositary for safekeeping in accordance with the terms of written agreements between the Depositary and those delegates.

A list of delegates is set out in Appendix VII. Shareholders should note that the list of delegates is updated only at each Prospectus review.

6.3.4 **Conflicts**

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates. For example, such conflicts may arise; (i) where an appointed delegate is an affiliated group company and is providing a product or service

to the Fund and has a financial or business interest in such product or service; or, (ii) where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The Depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Fund, the Shareholders or the ACD on the one hand and the Depositary on the other hand. For example, such actual or potential conflict may arise because the Depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund and from which fees and profits in relation to the provision of those products or services may arise and from which the Depositary may benefit directly or indirectly. In addition, the Depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund or may have other clients whose interests may conflict with those of the Fund, the Shareholders or the ACD.

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the property of the Fund. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provides broking services to Fund and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Fund; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Fund; or earns profits from or has a financial or business interest in any of these activities.

The Depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depositary issues to be properly identified, managed and monitored.

6.3.5 Liability of the Depositary

In general, the Depositary is liable for losses suffered by the Company as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the Depositary will be liable to the Company for the loss of financial instruments of the Company which are held in its custody. The Depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party.

The Depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the Depositary, the consequences

of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall not be liable for any indirect, special or consequential loss.

In the event there are any changes to the Depositary's liability under the Regulations, the ACD will inform shareholders of such changes without delay.

Shareholders have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

6.3.6 Updated Information

Up to date information regarding the name of the Depositary, any conflicts of interest and delegations of the Depositary's safekeeping functions will be made available to shareholders upon written request to the ACD.

6.4 The Investment Manager

6.4.1 General

Marlborough Investment Management Limited is the Investment Manager in relation to the Fund.

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

The Investment Manager is authorised and regulated by the FCA.

6.4.2 Terms of Appointment:

Pursuant to an agreement between the Investment Manager and the ACD, the Investment Manager provides general discretionary investment management services in respect of the Fund. Under the agreement, the Investment Manager has the permission to delegate however where any delegation takes place the Investment Manager is responsible for oversight of any appointed party. The Investment Manager has chosen to delegate the day-to-day investment management to the Sub-Investment Manager for the Fund. The Investment Manager has the authority to make decisions on behalf of the ACD in relation to the Fund's investments subject always to the provisions of the Instrument of Incorporation, this Prospectus, the Regulations and the investment objectives and policies of the Fund.

The Investment Manager is remunerated by the ACD out of the annual management charge, as explained in paragraph 7.4, and is also entitled to receive payments on stockbroking transactions entered into on behalf of the Company.

6.5 **The Sub-Investment Manager**

6.5.1 **General**

The Investment Manager has appointed the Sub-Investment Manager, Canaccord Genuity Asset Management Limited ("Canaccord Genuity"), to provide investment management services to the Investment Manager in relation to the Fund.

Canaccord Genuity's principal activity is the provision of investment advisory management services.

Canaccord Genuity is authorised and regulated by the FCA.

6.5.2 **Terms of Appointment:**

Pursuant to an agreement between the Sub-Investment Manager, the Investment Manager and the ACD, the Sub-Investment Manager provides general discretionary investment management services in respect of the Fund. The Sub-Investment Managers have the authority to make decisions on behalf of the ACD in relation to the Fund's investments subject always to the provisions of the Instrument of Incorporation, this Prospectus, the Regulations and the investment objectives and policies of the Fund.

The Sub-Investment Manager will receive a fee paid by the Investment Manager.

6.6 **The Administrator and Registrar**

6.6.1 **General**

The ACD has appointed SS&C Financial Services International Limited to act as Registrar to the Company and also act as Administrator to the Company.

6.6.2 **Register of Shareholders**

The Register of Shareholders is maintained by the Registrar at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP, where it may be inspected by Shareholders during normal office hours.

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

No certificates will be issued in respect of a holding of shares and should any Shareholder require evidence of title to shares the Registrar will, upon such proof of identity and the payment of such fee (if any) as may reasonably be required, supply the Shareholder with a certified copy of the relevant entry in the Register relating to the Shareholder's holding of shares.

Shareholders should notify the Registrar in writing of any change to their name or address.

6.7 **The Auditors**

The auditors of the Company are Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

6.8 **Conflicts of Interest**

The ACD is in the same corporate group and has an agreement in place with the Investment Manager under the terms of which it works closely on the structuring, marketing and distribution of the Company. Whilst the ACD remains at all times responsible for the Company on a legal and regulatory basis, the Investment Manager may request changes to the Company, subject always to applicable rules and the ACD's duties to the Company and the Shareholders. For example, the Investment Manager may request changes to be made to the investment objective and policy of the Company (unless these are required by the FCA) or any other material changes to the Instrument of Incorporation or this Prospectus. Given the relationship between the ACD and the Investment Manager in this context there is the potential for the ACD's own commercial interests to conflict with the interests of the Company and Shareholders. In that respect, in accordance with all applicable regulatory requirements, the ACD maintains and operates organisational, governance and administrative arrangements with a view to taking all reasonable steps to prevent such conflicts from adversely affecting the interests of the Company and its Shareholders.

The ACD, the Investment Manager and other companies within the ACD's and/or the Investment Manager's group may, from time to time, act as ACD, investment manager or advisers (as applicable) to other funds or sub-funds which may follow similar investment objectives and policies to the Company. It is therefore possible that the ACD and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Company or that a conflict exists between the Company and other funds managed by the ACD. The ACD and the Investment Manager maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent such conflicts from adversely affecting the interests of the Company.

The ACD and the Investment Manager will take all appropriate steps to identify and prevent or manage such conflicts and each of the ACD and the Investment Manager will have regard in such event to its obligations under the ACD Agreement and the applicable investment management agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the ACD and the Investment Manager will ensure that the Company and other collective investment schemes it manages are fairly treated.

The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflict of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company and its Shareholders will be prevented. Should any such situations arise the ACD will, as a last resort where such conflict(s) cannot be avoided, disclose these to Shareholders in an appropriate manner.

The ACD, the Investment Manager and other companies within the ACD's or 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 Company. It is therefore possible that the ACD and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Company. Each of the ACD and the Investment Manager will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

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

Details of the ACD's conflicts of interest policy are available from the ACD, upon request.

7. FEES AND EXPENSES

7.1 Ongoing

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

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

- 7.1.1 broker's commission (where permitted under the FCA handbook), fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessary to be incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 7.1.2 any costs incurred in the incorporation and authorisation of the Company, any Offer of Shares, the preparation and printing of any Prospectus (and any amendments thereto) and the fees for professional services provided to the Company in connection with such offer;
- 7.1.3 fees and expenses in respect of establishing and maintaining the Register of Shareholders, including any sub-registers kept for the purpose of the administration of (when applicable) Individual Savings Accounts, are payable quarterly out of the property of the Company;
- 7.1.4 any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of Shares;
- 7.1.5 any costs incurred by the Company in publishing the price of the Shares in a national or other newspaper or any other form of media;
- 7.1.6 any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;
- 7.1.7 any fees, expenses or disbursements of any legal or other professional adviser of the Company;
- 7.1.8 any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- 7.1.9 any costs incurred in respect of meetings of Shareholders convened for any purpose;
- 7.1.10 any payment permitted by clause 6.7.15R of the COLL Sourcebook;
- 7.1.11 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;

- 7.1.12 taxation and duties payable in respect of the Scheme Property or the issue or redemption of Shares;
- 7.1.13 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
- 7.1.14 the fees of the FCA, in accordance with the FCA's Fee Manual, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares in the Company are or may be marketed;
- 7.1.15 any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- 7.1.16 any payments otherwise due by virtue of a change to the Regulations; and,
- 7.1.17 any value added or similar tax relating to any change or expense set out herein.

The ACD is also entitled to be paid by the Company out of the Scheme Property any expenses incurred by the ACD 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 Company is set out in Appendix I. Where expenses are deducted in the first instance from income if and only if this is insufficient, deductions will be made from capital (save for any charge made in respect of SDRT under paragraph 3.5.5 "Stamp Duty Reserve Tax"). If deductions were made from capital, this would result in capital erosion and constrain growth.

7.2 **Charges payable to the ACD**

7.2.1 ***Annual Management Charge***

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company as set out in Appendix I. The annual management charge will accrue on a daily basis. The calculation of the annual management charge is based upon the first or only valuation point on each Business Day. The annual management charge charged during a calendar month is paid to the ACD no more frequently than weekly. The current annual management charge (expressed as a percentage per annum of the Net Asset Value) is set out in Appendix I.

7.2.2 ***Registration Fees***

The ACD is entitled to charge out of the Scheme Property certain fees and expenses for establishing and maintaining the Register of Shareholders and related functions. This

registration charge is £20.00 per year per account holder, as well as fees for each deal processed for the Fund. These are, per deal:

Electronic fund platform deal	£5.00
Manual fund deal	£15.00

7.2.3 **Expenses**

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

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

7.3 **Depository's fee and expenses**

The Depository receives for its own account a periodic fee which will accrue daily. The calculation of the periodic fee is based on the first or only valuation point of the Fund on each Business Day. The periodic fee charged during a calendar month is paid to the Depository on or as soon as is reasonably practicable after the last Business Day of that calendar month, and is payable out of the property attributable to the Fund.

The rate of the periodic fee is agreed between the ACD and the Depository from time to time and in relation to each Fund, the current agreed periodic fee is calculated on a sliding scale plus VAT of the total value of the Fund per annum.

- 0.020% per annum of the first £200 million of the Scheme Property;
- 0.015% per annum of the next £300 million of the Scheme Property;
- 0.0075% per annum of the next £500 million of the Scheme Property;
- 0.0060% per annum of the next £1 billion of the Scheme Property;
- 0.0050% per annum of the balance over £2 billion.

The first accrual in relation to the Fund will take place in respect of the period beginning on the day on which the first valuation of the Fund is made and ending on the last calendar day of the month in which that day falls and will be calculated based upon the first valuation point. Any material increase will only be permitted after 60 days' notice has been given to all Shareholders and the Prospectus has been revised to reflect the new current rate and the date of its commencement.

Custody and transaction charges

A custody charge is charged on the same value and accrual basis as the Depositary fee. The value is sub-divided according to the geographical spread of the portfolio and the rates set out below applied to the individual parts.

Fixed rate transaction charges (again, based on geographical spread) are charged monthly on the movement of stocks other than on corporate actions, scrip dividends or stock loans.

The current range of rates for the custody and transaction charges of the most commonly used countries are as shown below:

Ranges of Charges

Item	Range
Transaction Charges	£3.50 to £22
Custody Charges	0.0025% to 0.07%

The custody and transaction charges are currently exempt from value added tax.

The maximum charge for a transaction charge is £78 per transaction plus VAT (if applicable). The maximum charge for the custody charge is 0.5% of the value of the Asset per annum plus VAT where applicable. The currencies and transaction and custody charges are currently exempt from VAT.

Expenses

The Depositary will also be reimbursed out of the property attributable to the Fund, expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, the Regulations or by the general law, including (but not limited to):

- (a) custody of assets (including overseas custody services);
- (b) the acquisition, holding and disposal of property;
- (c) the collection of dividends, interest and any other income;
- (d) the maintenance of distribution accounts;
- (e) the conversion of foreign currencies;
- (f) registration of assets in the name of the Depositary or its nominees or agents;
- (g) borrowings, stock lending or other permitted transactions;
- (h) communications with any parties (including facsimile and SWIFT);
- (i) taxation matters;
- (j) insurance matters;
- (k) dealing in derivatives; and

(l) the Depositary's report as set out in annual reports of the Company.

Ranges of Charges

The amount or rate of any of the Depositary's fees and charges referred to above shall (unless otherwise stated) be determined by reference to the scale or tariff or other basis from time to time agreed between the ACD and the Depositary and notified to the ACD by the Depositary.

The Depositary shall be entitled to recover its fees, charges and expenses when the relevant transaction or other dealing is effected or relevant service is provided or as may otherwise be agreed between the Depositary and the Company or the ACD.

On a winding up of the Company or the redemption of a class of shares, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up the termination or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Depositary Agreement.

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

Allocation of Expenses

The ACD has the discretion to allocate any fees, liabilities, expenses, costs or charges in a manner which is fair to the Shareholders generally. In each such case such expenses and disbursements may also be payable if incurred by any person (including the ACD or an associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the Regulations by the Depositary.

7.4 Investment Manager's and Sub-Investment Manager's fee

The Investment Manager's and Sub-Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services will be paid by the ACD out of its remuneration under the ACD Agreement.

Further details of this agreement are summarised in paragraph 6.5.2 "Terms of Appointment" above.

8. INSTRUMENT OF INCORPORATION

The Instrument of Incorporation is available for inspection at the ACD's offices at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP.

9. SHAREHOLDER MEETINGS AND VOTING RIGHTS

9.1 Class and Company Meetings

The Company has dispensed with the holding of annual general meetings.

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

9.2 Requisitions of Meetings

The ACD may requisition a general meeting at any time.

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

9.3 Notice and Quorum

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

9.4 Voting Rights

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

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

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

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

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

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

Where all the Shares in the Company are registered to, or held by, the ACD or its associates and they are therefore prohibited from voting and a resolution (including an extraordinary resolution) is required to conduct business at a meeting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Depositary, instead be passed with the

written consent of Shareholders representing 50% or more, or for an extraordinary resolution 75% or more, of the Shares in issue.

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

9.5 **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 Shareholders of that Class.

10. **TAXATION**

10.1 **General**

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice, all of which are subject to change. It summarises the tax position of the Company and of investors who are United Kingdom resident and hold Shares as investments. Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, are recommended to take professional advice.

10.2 **The Company**

The Company is generally exempt from United Kingdom tax on capital gains realised on the disposal of investments (including interest-paying securities and derivatives) held within it.

Dividends from United Kingdom companies are received by the Company with a tax credit and no further tax is payable by the Company on that income. The Company is subject to corporation tax at 20% on most other types of income but after deducting allowable management expenses and the gross amount of any interest distributions. Where the Company suffers foreign tax on income received, this may normally be deducted from the United Kingdom tax due on that income.

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

10.3 **Corporate Shareholders**

Dividend distributions received by corporate shareholders chargeable to UK corporation tax will need to be streamed into ‘franked’ and ‘unfranked’ income according to the underlying gross income of the Company.

In broad terms, the portion treated as being ‘franked’ will be such proportion of the Company’s total income (brought into account when determining the distribution for the period in question) which consists of dividend income received which is treated as exempt under Part 9A of CTA 2009. The ‘franked’ portion will be treated as exempt dividend income when received by a UK resident corporate shareholder (unless the shareholder is treated as a dealer in securities for tax purposes). The ‘unfranked’ portion will be treated as an annual payment from which income tax at a rate of 20% has been deducted. A UK resident corporate shareholder will, therefore, be subject to corporate tax at the rate applicable to that corporate shareholder but with credit for the income tax deducted. Such

shareholders may, therefore, be liable to further tax and any ability to claim repayment of the income tax credit will be limited to the corporate shareholder's share of the Company's liability to corporation tax for the distribution period in question.

10.4 Shareholders

10.4.1 Income

The Company will generally make dividend distributions which broadly reflect any income arising from its investments. Dividend distributions by the Company are made without deduction of income tax. The first £500 of dividend distributions received by individual investors in any tax year are not subject to income tax. Dividend distributions received in excess of this amount should be reported on the individual investor's Self-Assessment Tax Return. For distribution amounts in excess of £500 in any tax year, individual investors liable to income tax at the basic rate will have an additional liability to income tax equal to 8.75% of the dividend distribution to the extent that such sum, when treated as the top slice of their income, falls above the threshold for basic rate tax. Higher rate taxpayers will have a further liability to income tax equal to 33.75% of the dividend distribution to the extent that such sum, when treated as the top slice of their income, falls above the threshold for higher rate tax. Additional rate taxpayers will have a further liability to income tax equal to 39.35% of the dividend distribution to the extent that such sum, when treated as the top slice of their income, falls above the threshold for the additional rate of tax.

10.4.2 Income equalisation

The first income allocation received by an investor after buying Shares 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 Shares for capital gains tax purposes. Equalisation will be applied to the Company.

10.4.3 Gains

Capital gains made by individual Shareholders who are resident in the UK for tax purposes on the sale, disposal or as a result of any other chargeable event will be tax free if they fall within an individual's annual capital gains exemption. For the tax year 2024/2025, the first £3,000 of an individual's chargeable gains (that is after deduction of allowable losses) from all sources will, therefore, be exempt from capital gains tax. Subject to their personal circumstances, gains in excess of this amount are taxed at 10% for basic rate taxpayers and 20% for higher and additional rate taxpayers.

Shareholders who are non UK resident will not normally be liable to UK tax on capital gains arising on a sale, disposal or other chargeable event unless the shareholding is connected with a trade carried on by the Shareholder through a UK branch or agency or certain anti-avoidance provisions relating to temporary non-UK residence apply

Capital gains made by Shareholders liable to UK corporation tax will be taxable at the corporation tax rate applicable to that corporate Shareholder after taking account the

availability of any indexation relief. Authorised investment funds are currently subject to a special rate of corporation tax of 20%.

10.4.4 **Non-resident shareholders**

Dividend distributions will be made gross to shareholders who are not UK resident. Non resident shareholders who are individuals are not liable to UK income tax on the dividend distribution. Non-UK resident shareholders are recommended to seek professional advice as to the tax consequences of receiving a dividend distribution under the law of the jurisdiction of their residence.

Non resident trusts may be chargeable to UK income tax on distributions made by the Company and are recommended to seek professional advice.

10.4.5 **Information Reporting**

The International Tax Compliance Regulations 2015 (SI 2015/878) as amended (the "Tax Compliance Regulations") enable the automatic exchange of information between the UK and other jurisdictions. The Tax Compliance Regulations implement the UK's obligations in respect of: (a) the Intergovernmental Agreement signed by the UK and the USA to implement FATCA; and (b) the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information signed by the UK on 29 October 2014 to implement the OECD's Common Reporting Standard ("CRS") on Reporting and Due Diligence for Financial Account Information.

The Company is a UK Financial Institution for the purposes of the Tax Compliance Regulations. Consequently it (or the ACD) will be required to undertake due diligence and/or obtain information on Shareholders, including their name, address, tax identification number, tax residency and status, and details (if applicable in the case of certain types of Shareholders) of persons that directly or indirectly have an interest in the Shareholders. They will be required to report certain information about Shareholders and their investments to HMRC on an annual basis.

Shareholders are, therefore, notified that information relating to Shareholders which is required to be reported under the Tax Compliance Regulations (or by other similar laws or regulations) will be reported to HMRC and may be transferred to the government of another territory in accordance with a relevant agreement.

The ACD or its delegate retains the right to request from Shareholders such information, documentation and certification as they determine may be required from time to time in order to fulfil reporting duties on such matters. Any Shareholder that fails to provide the required information may be subject to a compulsory redemption of their Shares and/or mandatory penalties.

By signing the application form to subscribe for Shares in the Company, each affected Shareholder is agreeing to the disclosure as outlined above and to provide any relevant information upon request from the ACD or its delegate.

The extent to which information about Shareholders will be required to be reported to HMRC will depend upon the information provided and the ACD's determination of what

is necessary in order to comply with their relevant obligations. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of the Tax Compliance Regulations, FATCA, the CRS and similar rules on their interest in the Company.

11. WINDING UP OF THE COMPANY

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

Where the Company is to be wound up under the COLL Sourcebook, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so. The Company may not be wound up under the COLL Sourcebook if there is a vacancy in the position of ACD at the relevant time.

The Company shall be wound up under the COLL Sourcebook:

- 11.1 if an extraordinary resolution to that effect is passed by Shareholders; or
- 11.2 when the period (if any) fixed for the duration of the Company by the Instrument of Incorporation expires, or any event occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up (for example, if the Share capital of the Company is below £5 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to wind up the Company); or
- 11.3 on the date stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company.

On the occurrence of any of the above:

- 11.4 COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and borrowing powers) will cease to apply to the Company;
- 11.5 the Company will cease to issue and cancel Shares in the Company and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company;
- 11.6 no transfer of a Share shall be registered and no other change to the Register of Shareholders shall be made without the sanction of the ACD;
- 11.7 where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;
- 11.8 the corporate status and powers of the Company and subject to 11.4 to 11.7 above, the powers of the Depositary shall continue until the Company is dissolved.

The ACD shall, as soon as practicable after the Company falls to be wound up, realise the assets and meet the liabilities of the Company and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders

proportionately to their rights to participate in the Scheme Property. If the ACD has not previously notified Shareholders of the proposal to wind up the Company the ACD shall, as soon as practicable after the commencement of winding up of the Company give written notice of the commencement to Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company.

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

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

Following the completion of a winding up of the Company, the ACD must prepare a final account showing how the winding up took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder (or the first named of joint Shareholders) on it within two months of the completion of the winding up or termination.

12. **GENERAL INFORMATION**

12.1 **Accounting Periods**

The annual accounting period of the Company ends each year on 30 April (the accounting reference date) with an interim accounting period ending on 31 October.

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

12.2 **Notice to Shareholders**

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

12.3 **Income Allocations**

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

In relation to income Shares, distributions of income are paid by bank automated credit system directly into a Shareholder's bank account on or before the relevant income allocation date in each year as set out in Appendix I. Cheques will not be sent. Where a Shareholder's bank details are not known or are inaccurate, accumulation Shares will be purchased, where available, otherwise any income from income Shares will be reinvested.

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

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

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

12.4 **Annual Reports**

The annual report of the Company will be published and sent to Shareholders within four 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.

A long report containing the full accounts is available to any person free of charge on request or at www.ifslfunds.com.

12.5 **Documents of the Company**

The following documents may be inspected free of charge during normal business hours on any business day at the offices of the ACD at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP:

- 12.5.1 the Prospectus
- 12.5.2 the most recent annual and half yearly reports of the Company;
- 12.5.3 the Instrument of Incorporation (and any amending documents);
- 12.5.4 the material contracts referred to below; and
- 12.5.5 the ACD's voting policy (which sets out how and when voting rights attached to the Company's investments are to be exercised), execution policy (which sets out the procedures to be followed when transactions are carried out on behalf of the Company) and inducement policy (which sets out the types of payments, including fees, commissions – where permitted by the FCA rules - and non-monetary benefits, which may be received or made by a third party in respect of the Company).

Shareholders may obtain copies of the above documents from the ACD. The ACD 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 Company which are available free of charge to anyone who requests).

12.6 **Material Contracts**

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

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

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

Details of the above contracts are given under section 6 "Management and Administration".

12.7 **Provision of Investment Advice**

All information concerning the Company and about investing in Shares of the Company is available from the ACD at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP. The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional financial adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and investors should ensure that they have the most up to date version.

12.8 **Telephone Recordings**

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

12.9 **Complaints**

Complaints concerning the operation or marketing of the Company may be referred to the Compliance Officer of the ACD at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP or, if you subsequently wish to take your complaint further, direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

12.10 **Data Protection**

The data controller in respect of the personal data you provide on your application form (or you otherwise submit to the ACD in connection with your application for the services generally) is the ACD, who you can contact using the contact details below.

The ACD will process the personal data that you provide as set out below:

Purpose	Type of data	Basis for processing
Providing investment and administration services to you	Identity, contact and financial data	Performance of a contract with you
Carrying out identity checks, anti-money laundering checks and checks with fraud prevention agencies	Identity, contact and financial data	Necessary to comply with a legal obligation
Statistical analysis to understand how you use the ACD's services	Identity, contact, financial, transaction, technical, usage and marketing and communications data	Necessary for the ACD's legitimate interests (to improve its services and develop its business)
To inform you about updates to the service and to notify you about other products and services offered by the ACD	Identity, contact, usage and marketing and communications data	Necessary for the ACD's legitimate interests (to market its services and develop its business) or, if the ACD cannot

that may be of relevance to you.		rely on legitimate interest for direct electronic marketing, where you have given us your consent to receive such marketing.
To ask you to participate in surveys for market research purposes, and to analyse those surveys and research to benchmark our services.	Identity, contact and marketing and communications data	Necessary for our legitimate interests (to improve our services and develop our business)

The ACD strives to provide you with choices regarding certain personal data uses particularly around marketing and advertising. It is possible to opt in to receiving marketing communications by contacting the ACD using the details below. If you do not provide the ACD with the personal data that the ACD specifies is required for the supply and administration of the services, then the ACD may not be able to provide the services to you.

To the extent that it is necessary for the supply and administration of the services, the ACD may disclose your information: (a) to credit reference agencies to assess your eligibility for the product or service applied for and to verify your identity; (b) to third parties who the ACD uses to assist it in administering the Company; (c) another division or part of the ACD's group (if there is a restructuring of the ACD's business) or to the buyer of the business (if the business is sold); or (d) where the ACD is under a duty to disclose your personal data in order to comply with a legal obligation or to protect the rights, property or safety of the ACD, its associates, or others. Where an authorised financial adviser acts on your behalf, the ACD will disclose information concerning your investment to that financial adviser.

Your personal data may be processed outside the United Kingdom where it is necessary in order to provide the services to you. In each instance, the ACD will ensure that the transfer is in compliance with the requirements of applicable data protection law (such as the transfer being to a country approved as providing adequate protection; there being appropriate safeguards in place; or one of the derogations for specific situations applying to the transfer).

The ACD will keep your personal data stored on its systems for as long as it takes the ACD to provide the services to you. The ACD will retain and use your information as necessary to comply with its legal obligations, resolve disputes and enforce its rights. The ACD reviews its data retention policies regularly and will retain your personal data only as long as necessary for the purpose for which it processes that data.

Data protection legislation gives you the right to access information held about you. In the event that an access request is unfounded, excessive or especially repetitive, the ACD may charge a 'reasonable fee' for meeting that request. Similarly, the ACD may charge a reasonable fee to comply with requests for further copies of the same information (that fee will be based upon the administrative costs of providing the information).

You are entitled to receive the personal data that you have provided to the ACD in a structured, commonly used and machine-readable format, and to transmit that data to another data controller. You can exercise your data protection rights, including your rights to access, restrict, object to the processing of, rectify and erase your personal data by writing to the ACD at: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. If you are unhappy with the way in which your personal data is being processed you have a right to lodge a complaint with the Information Commissioner's Office. You can report your concerns by telephoning their helpline on 0303 123 1113 or through their website

at <https://ico.org.uk/concerns>.

12.11 **The Financial Services Compensation Scheme**

The Financial Services Compensation Scheme Limited has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The Manager will supply you with further details of the scheme on written request to its operating address. Alternatively, you can visit the scheme's website at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

12.12 **Risk Management**

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

- 12.12.1 the quantitative limits applying in the risk management of the Company;
- 12.12.2 the methods used in relation to 12.12.1; and
- 12.12.3 any recent development of the risk and yields of the main categories of investment.

12.13 **Indemnity**

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

12.14 **Fair Treatment of Investors**

The ACD seeks to ensure the fair and equitable treatment of Shareholders by complying with the Regulations, the Fund's Instrument, and this Prospectus. The ACD employs a variety of management information to monitor both its own and its delegates' activities to ensure that the Funds perform in accordance with expectations and that Shareholders receive service and information of an acceptable standard.

As at the date of this Prospectus the ACD has not granted preferential treatment or the right to obtain preferential treatment to any investor or potential investor in the Funds. As such, all investors in the Funds will invest in the same manner and on the same terms.

APPENDIX I

COMPANY DETAILS

Name:	IFSL Marlborough Global Innovation Fund
Type of Scheme:	UCITS Scheme
Investment Objective:	<p>The aim of the Fund is to provide capital growth, that is, to increase the value of your investment over a minimum of 5 years. However, there is no certainty this will be achieved.</p>
Investment Policy:	<p>The Fund is actively managed which means the Investment Manager decides which investments to buy or sell, and when.</p> <p>At least 80% of the Fund will invest in shares of companies listed globally. The companies will be those the Investment Manager considers to be innovative as defined in the Investment Strategy.</p> <p>The Fund can hold up to 75% in shares issued in any single country. It is expected that at least 50% of the Fund will be invested in a mixture of companies listed in North America or UK markets.</p> <p>A minimum of 50% of the Fund will be invested in smaller companies, as defined by smaller companies indices in their respective country of listing at the time of the initial purchase.</p> <p>The Fund may invest up to 20% in other securities which offer returns linked to the company performance, such as, preference shares, convertible bonds and listed warrants, as well as up to 10% through exchange traded funds which themselves invest in company shares.</p> <p>The Fund may, from time to time, hold shares in companies that become unquoted following investment, due to a delisting or other corporate event. The Fund will not make new investment into the shares of companies that are unquoted.</p> <p>The Fund may hold up to 20% in cash, short dated government bonds and money market instruments (short term loans typically issued by governments and corporations) to enable the ready settlement of liabilities (including the redemption of units), for the efficient management of the portfolio or in pursuit of the Fund's investment objective.</p> <p>Whilst the Fund itself will not use derivatives, the underlying Funds purchased may have the ability to use derivatives to varying degrees.</p>
Investment Strategy	<p>The Investment Manager's primary focus is to identify and invest in shares of companies that are directly leading innovation, such as through products and services or research and development, as well as those indirectly contributing to, or benefiting from, innovation such as the disruption of established technologies and practices. This approach means the Fund will tap into diverse innovation opportunities across various sectors and regions.</p> <p>The Investment Manager will seek to identify smaller companies that are able to achieve superior growth compared to larger counterparts over the long-term, as well as larger companies with established track record of growth and are more mature, cash</p>

generating businesses.

While the Fund has the ability to invest globally, the Fund will predominantly invest in companies listed on North American and European exchanges.

Assessing performance:

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund's investment policy puts it in the IA Global sector. You may want to assess the Fund's performance compared to the performance of this sector.

Investors should note that whilst the IA Global Sector represents the global nature of the Fund, the sector also contains other funds investing across the market capitalisation spectrum from large companies to small companies. Therefore, when the shares of larger companies perform better than the shares of smaller companies, the Fund is more likely to underperform the sector. Conversely, the Fund is more likely to outperform the sector when the shares of smaller companies perform better than the shares of larger companies. Owing to an investment focus on innovative companies, the Fund may also have less or more exposure to certain market segments than the average fund in the sector, and may lead to deviation from the sector from a performance perspective.

Final accounting date:	30 April
Interim accounting date:	31 October
Income distribution dates:	30 June (final), 31 December (interim)
Shares Classes and type of Shares:	Class A and Class P Income and Accumulation Shares (Only Accumulation Shares are currently issued)
Initial charge:	Class A Shares – 5%, Class P Shares – 0%
Redemption charge:	Nil
Switching charge:	Nil
Annual Management Charge:	Class A Shares - 1.5%, Class P Shares - 0.75%
Charges taken from Income:	Yes

Investment minima:*

Share Class	Minimum initial investment	Minimum subsequent investment	Minimum holding	Minimum redemption
Class A	£1,000	£1,000	£1,000	£500
Class P	£1,000	£1,000	£1,000	£500

Regular Savings Plan: £100

Past performance: Past performance information is set out in Appendix V

* The ACD may waive the minimum levels at its discretion

APPENDIX II

ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

Set out below are the securities markets through which the Company may invest or deal in approved securities on account of the Fund (subject to the investment objective and policy of the Fund):

- (a) a "regulated market" as defined in COLL;
- (b) a securities market established in any EEA State (which as at the date of this Prospectus includes Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden) which is regulated, operates regularly and is open to the public; or

Eligible Securities Markets:

The United Kingdom and any EEA State	
United States of America	NYSE NASDAQ Stock Exchange NYSE MKT
Australia	Australian Securities Exchange
Canada	Toronto Stock Exchange TSX Venture Exchange
Hong Kong	The Stock Exchange of Hong Kong
Japan	Tokyo Stock Exchange Osaka Securities Exchange
Korea	Korea Exchange
New Zealand	New Zealand Exchange
Singapore	Singapore Exchange
South Africa	Johannesburg Stock Exchange
Switzerland	SIX Swiss Exchange
Thailand	Stock Exchange of Thailand
United Kingdom	London Stock Exchange The Alternative Investment Market of the London Stock Exchange (AIM)

Eligible Derivative Markets:

United Kingdom	ICE Futures Europe
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APPENDIX III

INVESTMENT AND BORROWING POWERS OF THE COMPANY

1. **General**

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

The Company will not maintain an interest in immovable property or tangible moveable property.

The ACD shall ensure that, taking into account the investment objective of the Company, the property of the Company aims to provide a prudent spread of risk.

From time to time and in particular during periods of uncertain or volatile markets, the Investment Manager may choose to hold a substantial proportion of the property of the Company in money market instruments and/or cash deposits.

1.1 **Prudent spread of risk**

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

1.2 **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 Company under any other of those rules has also to be provided for.

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

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

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

2. **UCITS Schemes - general**

2.1 Subject to the investment objective and policy of the Company and the restrictions set out in this Prospectus, the Scheme Property must, except where otherwise provided in COLL 5, only consist of any or all of:

- 2.1.1 transferable securities;
- 2.1.2 approved money-market instruments;
- 2.1.3 permitted units or shares in collective investments schemes;
- 2.1.4 permitted derivatives and forward transactions; and
- 2.1.5 permitted deposits.

3. **Transferable Securities**

- 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.
- 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.
- 3.3 In applying paragraph 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.
- 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.
- 3.5 The Company may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
 - 3.5.1 the potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it;
 - 3.5.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder under the FCA Handbook;
 - 3.5.3 reliable valuation is available for it as follows:
 - 3.5.3.1 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;
 - 3.5.3.2 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;

- 3.5.4 appropriate information is available for it as follows:
 - 3.5.4.1 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;
 - 3.5.4.2 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 ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- 3.5.5 it is negotiable; and
- 3.5.6 its risks are adequately captured by the risk management process of the ACD.
- 3.6 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:
 - 3.6.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and
 - 3.6.2 to be negotiable.
- 3.7 Up to 100% of the value of the Scheme Property may be invested in warrants.
- 4. **Closed end funds constituting transferable securities**
- 4.1 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 Company, provided it fulfils the criteria for transferable securities set out in paragraph 3.5 and either:
 - 4.1.1 where the closed end fund is constituted as an investment company or a unit trust:
 - 4.1.1.1 it is subject to corporate governance mechanisms applied to companies; and
 - 4.1.1.2 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
 - 4.1.2 where the closed end fund is constituted under the law of contract:
 - 4.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
 - 4.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

5. Transferable securities linked to other assets

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

5.1.1 fulfils the criteria for transferable securities set out in 3.5 above; and

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

5.2 Where an investment in 5.1 contains an embedded derivative component, the requirements of this section with respect to derivatives and forwards will apply to that component.

6. Approved Money-Market Instruments

6.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money-market, is liquid and has a value which can be accurately determined at any time.

6.2 A money-market instrument shall be regarded as normally dealt in on the money-market if it:

6.2.1 has a maturity at issuance of up to and including 397 days;

6.2.2 has a residual maturity of up to and including 397 days;

6.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or

6.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 6.2.1 or 6.2.2 or is subject to yield adjustments as set out in 6.2.3.

6.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder.

6.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:

6.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the Scheme Property could be exchanged between knowledgeable willing parties in an arm's length transaction; and

6.4.2 based either on market data or on valuation models including systems based on amortised costs.

6.5 A money-market instrument that is normally dealt in on the money-market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which

can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

7. Transferable securities and money-market instruments generally to be admitted or dealt in on an Eligible Market

7.1 Transferable securities and approved money-market instruments held within the Company must be:

7.1.1 admitted to or dealt in on an eligible market as described in 8.3.1; or

7.1.2 dealt in on an eligible market as described in 8.3.2; or

7.1.3 admitted to or dealt in on an eligible market as described in 8.4; or

7.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 9.1; or

7.1.5 recently issued transferable securities provided that:

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

7.1.5.2 such admission is secured within a year of issue.

7.2 However, the Company may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in 7.1.

8. Eligible markets regime: purpose and requirements

8.1 To protect Shareholders the markets on which investments of the Company 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.

8.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in 7.2 above 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.

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

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

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

8.4 A market not falling within paragraph 8.3 of this Appendix is eligible for the purposes of COLL 5 if:

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

- Property;
- 8.4.2 the market is included in a list in the prospectus; and
- 8.4.3 the Depositary has taken reasonable care to determine that:
 - 8.4.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and
 - 8.4.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 8.5 In paragraph 8.4.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of Shareholders.
- 8.6 The Eligible Markets for the Company are set out in Appendix II.
- 9. **Money-market instruments with a regulated issuer**
- 9.1 In addition to instruments admitted to or dealt in on an eligible market, the Company may invest in an approved money-market instrument provided it fulfils the following requirements:
 - 9.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and
 - 9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (Issuers and guarantors of money-market instruments) below.
- 9.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting Shareholders and savings if:
 - 9.2.1 the instrument is an approved money-market instrument;
 - 9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (Appropriate information for money-market instruments) below; and
 - 9.2.3 the instrument is freely transferable.
- 10. **Issuers and guarantors of money-market instruments**
- 10.1 The Company may invest in an approved money-market instrument if it is:
 - 10.1.1 issued or guaranteed by any one of the following:

- 10.1.1.1 a central authority of the United Kingdom or an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
- 10.1.1.2 a regional or local authority of the United Kingdom or an EEA State;
- 10.1.1.3 the Bank of England, the European Central Bank or a central bank of an EEA State;
- 10.1.1.4 the European Union or the European Investment Bank;
- 10.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;
- 10.1.1.6 a public international body to which the United Kingdom or one or more EEA States belong; or
- 10.1.2 issued by a body, any securities of which are dealt in on an eligible market; or
- 10.1.3 issued or guaranteed by an establishment which is:
 - 10.1.3.1 subject to prudential supervision in accordance with criteria defined by European Community law; or
 - 10.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by European Community law.
- 10.2 An establishment shall be considered to satisfy the requirement in 10.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
 - 10.2.1 it is located in the European Economic Area;
 - 10.2.2 it is located in an OECD country belonging to the Group of Ten;
 - 10.2.3 it has at least investment grade rating;
 - 10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by European Community law.
- 11. **Appropriate information for money-market instruments**
 - 11.1 In the case of an approved money-market instrument within 10.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 but is not guaranteed by a central authority within 10.1.1.1, the following information must be available:
 - 11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

- 11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
 - 11.1.3 available and reliable statistics on the issue or the issuance programme.
- 11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 10.1.3, the following information must be available:
- 11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
 - 11.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
 - 11.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.
- 11.3 In the case of an approved money-market instrument:
- 11.3.1 within 10.1.1.1, 10.1.1.4 or 10.1.1.5; or
 - 11.3.2 which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 and is guaranteed by a central authority within 10.1.1.1;

Information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument.

12. **Spread: general**

- 12.1 This rule on spread does not apply to government and public securities.
- 12.2 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.
- 12.3 Not more than 20% in the value of the Scheme Property is to consist of deposits with a single body.
- 12.4 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money-market instruments 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.
- 12.5 The limit of 5% is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when the Company 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 Company does not currently invest in covered bonds.

- 12.6 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.
- 12.7 Not more than 20% in value of the Scheme Property is to consist of transferable securities and approved money-market instruments issued by the same group.
- 12.8 Not more than 20% in value of the Scheme Property is to consist of the units or shares of any one collective investment scheme.
- 12.9 The COLL Sourcebook provides that in applying the limits in 12.3, 12.4 and 12.6 and subject to 12.5, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:
- 12.9.1 transferable securities (including covered bonds) or approved money-market instruments issued by; or
 - 12.9.2 deposits made with; or
 - 12.9.3 exposures from OTC derivatives transactions made with
a single body.
 - 12.9.4
13. **Spread: government and public securities**
- 13.1 The following section applies to government and public securities (“such securities”).
- 13.2 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.
- 13.3 The Company may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:
- 13.3.1 the ACD has before any such investment is made consulted with the Depository and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objective of the Company;
 - 13.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;
 - 13.3.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;
 - 13.3.4 the disclosures required by the FCA have been made.
- 13.4 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 Government of the United Kingdom, or Northern Ireland or a Member State other than the

United Kingdom, the Scottish Administration, the Executive Committee of the Northern Ireland Assembly or the National Assembly of Wales, the Governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden and the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America and in securities issued by the European Investment Bank.

13.5 Notwithstanding 12.1 and subject to 13.2 and 13.3 above, in applying the 20% limit in paragraph 12.9 with respect to a single body, government and public securities issued by that body shall be taken into account.

14. **Investment in collective investment schemes**

14.1 Up to 10% of the value of the Scheme Property may be invested in units or shares in other collective investment schemes ("Second Scheme") provided the Second Scheme satisfies all of the following conditions and provided that no more than 30% in value of the Scheme Property is invested in Second Schemes within 14.1.1.2- 14.1.1.4 below.

14.1.1 The Second Scheme must:

14.1.1.1 satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or

14.1.1.2 be recognised under the provisions of s.270 of the Financial Services and Markets Act 2000; or

14.1.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of Article 19(1)(e) of the UCITS Directive are met);

14.1.1.4 be authorised in an EEA State provided the requirements of Article 19(1)(e) of the UCITS Directive are met; or

14.1.1.5 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 19(1)(e) of the UCITS Directive are met).

14.1.2 The Second Scheme has terms which prohibit more than 10% in value of the Scheme Property consisting of units or shares in collective investment schemes. Where the Second Scheme is an umbrella, the provisions in this paragraph 14.1.2, paragraph 14.1.3 and paragraph 12 (Spread: General) apply to each sub fund as if it were a separate scheme.

- 14.1.3 Investment may only be made in other collective investment schemes managed by the ACD or an associate of the ACD if the Prospectus clearly states that the Company may enter into such investments and the rules on double charging contained in the COLL Sourcebook are complied with.
- 14.2 The Company may, subject to the limits set out in 14.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the ACD or one of its associates.
- 14.3 If a substantial proportion of the Company's assets are invested in other collective investment schemes, the maximum level of management fees that may be charged by an investee collective investment scheme to the Company will be 6%.
15. **Investment in nil and partly paid securities**
- A transferable security or an approved money-market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Company, at the time when payment is required, without contravening the rules in COLL 5.
16. **Derivatives: general**
- The Investment Manager may employ derivatives solely for the purposes of hedging in accordance with Efficient Portfolio Management.**
- 16.1 A transaction in derivatives or a forward transaction must not be effected for the Company unless the transaction is of a kind specified in paragraph 17 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 28 (Cover for transactions in derivatives and forward transactions) of this Appendix.
- 16.2 Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to 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.
- 16.3 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.
- 16.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 16.4.1 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;

- 16.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - 16.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 16.5 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.
- 16.6 Where the Company invests in an index based derivative, provided the relevant index falls within paragraph 19 (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.
17. **Efficient Portfolio Management**
- 17.1 The Company may utilise the Scheme Property to enter into transactions for the purposes of Efficient Portfolio Management (“EPM”). The ACD does not anticipate the intended use of derivatives and forward transactions to have any detrimental effect on the overall risk profile of the Company. Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives e.g. to hedge against price or currency fluctuations, dealt with or traded on an eligible derivatives market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The ACD must take reasonable care to ensure that the transaction is economically appropriate to the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the generation of additional capital or income with an acceptably low level of risk. The exposure must be fully “covered” by cash and/or other property sufficient to meet any obligation to pay or deliver that could arise.
- 17.2 Permitted transactions are those that the Company reasonably regards as economically appropriate to EPM, that is:
- 17.2.1 Transactions undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates where the ACD reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or
 - 17.2.2 Transactions for the generation of additional capital growth or income for the Company by taking advantage of gains which the ACD reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
 - 17.2.2.1 pricing imperfections in the market as regards the property which the Company holds or may hold; or

17.2.2.2 receiving a premium for the writing of a covered call option or a cash covered put option on property of the Company which the Company is willing to buy or sell at the exercise price, or

17.2.2.3 stock lending arrangements.

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

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

18. **Permitted transactions (derivatives and forwards)**

18.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 22 (OTC transactions in derivatives).

18.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Company is dedicated:

18.2.1 transferable securities;

18.2.2 approved money-market instruments permitted under paragraphs 7.1.1 to 7.1.4;

18.2.3 deposits permitted derivatives under this paragraph;

18.2.4 collective investment scheme units or shares permitted under paragraph 14 (Investment in collective investment schemes);

18.2.5 financial indices which satisfy the criteria set out in paragraph 19 (Financial indices underlying derivatives);

18.2.6 interest rates;

18.2.7 foreign exchange rates; and

18.2.8 currencies.

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

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

- 18.5 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 or shares in collective investment schemes, or derivatives, provided that a sale is not to be considered as uncovered if the conditions in paragraph 21.2 are satisfied.
- 18.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 18.7 A derivative includes an investment which fulfils the following criteria:
- 18.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
 - 18.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
 - 18.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 22; and
 - 18.7.4 its risks are adequately captured by the risk management process of the ACD and by its internal control mechanisms in the case of risk asymmetry of information between the ACD 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.
- 18.8 The Company may not undertake transactions in derivatives on commodities.

19. **Financial Indices underlying derivatives**

- 19.1 The financial indices referred to in 18.2 are those which satisfy the following criteria:
- 19.1.1 the index is sufficiently diversified;
 - 19.1.2 the index represents an adequate benchmark for the market to which it refers; and
 - 19.1.3 the index is published in an appropriate manner.
- 19.2 A financial index is sufficiently diversified if:
- 19.2.1 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;
 - 19.2.2 where it is composed of assets in which the Company is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this section; and
 - 19.2.3 where it is composed of assets in which the Company cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this section.

- 19.3 A financial index represents an adequate benchmark for the market to which it refers if:
- 19.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;
 - 19.3.2 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
 - 19.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.
- 19.4 A financial index is published in an appropriate manner if:
- 19.4.1 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
 - 19.4.2 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.
- 19.5 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 18.2, be regarded as a combination of those underlyings.

20. Transactions for the purchase of property

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

21. Requirement to cover sales

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

- 21.2 FCA Guidance states that the requirement set out at 21.1 above can be met where:

- 21.2.1 the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or
- 21.2.2 the ACD or the Depositary has the right to settle the derivative in cash and cover exists within the Scheme Property which falls within one of the following asset classes:

- 21.2.2.1 cash;
- 21.2.2.2 liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or
- 21.2.2.3 other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

21.3 In the asset classes referred to in paragraph 21.2.2, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market.

22. OTC transactions in derivatives

22.1 Any transaction in an OTC derivative under paragraph 18.1 must be:

- 22.1.1 in a future or an option or a contract for differences;
- 22.1.2 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;
- 22.1.3 on approved terms: The terms of a transaction in derivatives are approved only if the ACD: carries out at least daily a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and
- 22.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
 - 22.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
 - 22.1.4.2 if the value referred to in 22.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 22.1.5 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:

- 22.1.5.1 an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or
- 22.1.5.2 a department within the ACD which is independent from the department in charge of managing the Company and which is adequately equipped for such a purpose.
- 22.1.6 For the purposes of paragraph 22.1.3 above, “fair value” is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm’s length transaction.
- 22.1.7 The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with 22.1.2 to 22.1.5 above.
- 22.1.8 For the purposes of paragraph 22.1.3 the ACD must: (a) establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposure of the Company to OTC derivatives; and (b) ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment. Such arrangements and procedures must be adequate and proportionate to the nature and complexity of the OTC derivative concerned and adequately documented.

23. Risk management

- 23.1 The ACD uses a risk management process, enabling it to monitor and measure as frequently as appropriate the risk of the Company’s positions and their contribution to the overall risk profile of the Company.
- 23.2 The following details of the risk management process must be regularly notified by the ACD to the FCA (and at least on an annual basis):
 - 23.2.1 The methods for estimating risks in derivative and forward transactions; and
 - 23.2.2 A true and fair view of the types of derivatives and forward transactions to be used within the Company together with their underlying risks and any relevant quantitative limits.
- 23.3 In accordance with COLL the ACD maintains a written risk management policy which identifies the risks with which the Company is or might be exposed to, and contains procedures which are intended to enable the ACD to access and manage the exposure of the Company to material risks.

24. Investment in deposits

- 24.1 The Company 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.

25. **Significant influence**

25.1 The Company must not acquire 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:

25.1.1 immediately before the acquisition, the aggregate of any such securities held by the Company gives the Company power significantly to influence the conduct of business of that body corporate; or

25.1.2 the acquisition gives the Company that power.

25.2 For the purposes of paragraph 25.1, the Company 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 by it, 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).

26. **Concentration**

The Company:

26.1 must not acquire transferable securities other than debt securities which:

26.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and

26.1.2 represent more than 10% of these securities issued by that body corporate;

26.2 must not acquire more than 10% of the debt securities issued by any single issuing body;

26.3 must not acquire more than 25% of the units or shares in a collective investment scheme;

26.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and

26.5 need not comply with the limits in paragraphs 26.2, 26.3 and 26.4 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

27. **Derivative exposure**

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

27.2 Cover ensures that the Company is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, the Company must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. Paragraph 28

(Cover for transactions in derivatives and forward transactions) below sets out detailed requirements for cover of the Company.

27.3 A future is to be regarded as an obligation to which the Company is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which the Company 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).

27.4 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.

28. **Cover for transactions in derivatives and forward transactions**

28.1 Global exposure relating to derivatives and forward transactions held in the Company must not exceed the net value of the Scheme Property. Global exposure of the Company must be calculated on an at least daily basis, and must take into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions and includes underwriting commitments.

28.2 Property the subject of a transaction under paragraph 39 (stock lending) is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or reacquisition) in time to meet the obligation for which cover is required.

28.3 The global exposure of a Company must be calculated either as i) the incremental exposure and leverage generated through the use of derivatives and forward transaction (including embedded derivatives), which may not exceed 100% of the net value of the Scheme Property; or ii) the market risk of the Scheme Property (being the risk of loss of the Company resulting from the fluctuation in the market value of positions in the Company's portfolio attributable to changes in market variables, such as interest rates, foreign exchange rates, equity and commodity prices or an issuers credit worthiness).

29. **The commitment approach**

29.1 The global exposure of the Company is calculated by using the commitment approach in accordance with COLL. The ACD must ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives), whether used as part of the Company's investment policy, for the purposes of risk reduction of the purposes of efficient portfolio management and convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward transaction (the "standard commitment approach").

29.2 The ACD may apply other calculation methods which are equivalent to the standard commitment approach. The ACD may also take account of netting and hedging arrangements when calculating the global exposure of the Company, where such arrangements do not disregard obvious and material risks, and result in a clear reduction of risk exposure.

29.3 Where the reduction of derivatives or forward transactions does not generate incremental exposure for the Company, the underlying exposure need not be included in the commitment calculation.

29.4 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Company need not form part of the exposure calculation.

30. **Cover and Borrowing**

30.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 28 (Cover for transactions in derivatives and forward transactions) except where 30.2 below applies.

30.2 Where, for the purposes of this paragraph the Company borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 30.1 on deposit with the lender (or their agent or nominee), then this paragraph 30.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

31. **Cash and near cash**

31.1 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:

31.1.1 redemption of Shares; or

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

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

32. **General**

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

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

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

32.4 The COLL Sourcebook permits the ACD to use certain techniques when investing in derivatives in order to manage the Company's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure with respect to over-the-counter ("OTC") derivatives; for example the Company may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The COLL Sourcebook also permits the Company to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in the Company) under certain conditions.

33. **Underwriting**

33.1 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 Company.

34. **General power to borrow**

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

34.2 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 Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

34.3 The ACD must ensure that borrowing does not, on any business day, exceed 10% of the value of the Scheme Property.

34.4 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).

35. **Restrictions on lending of money**

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

35.2 Acquiring a debenture is not lending for the purposes of paragraph 35.1, nor is the placing of money on deposit or in a current account.

35.3 Nothing in paragraph 35.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by them for the purposes of the Company (or for the purposes of enabling them properly to perform their duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

36. **Restrictions on lending of property other than money**

- 36.1 Scheme Property other than money must not be lent by way of deposit or otherwise.
- 36.2 Transactions permitted by paragraph 39 (Stock lending) are not to be regarded as lending for the purposes of paragraph 36.1.
- 36.3 The Scheme Property must not be mortgaged.
- 36.4 Nothing in this paragraph prevents the Company or the Depositary of the Company at the request of the Company, from lending, depositing, pledging or charging Scheme Property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5.
- 37. General power to accept or underwrite placings**
- 37.1 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 Instrument of Incorporation. 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 Company.
- 37.2 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.
- 37.3 The exposure of the Company 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.
- 38. Guarantees and indemnities**
- 38.1 The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.
- 38.2 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.
- 38.3 Paragraphs 38.1 and 38.2 do not apply to in respect of the Company:
- 38.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL 5; and
 - 38.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;
 - 38.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by

it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

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

39. **Stock lending**

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

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

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

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

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

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

39.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions or repo contracts.

APPENDIX IV

FURTHER INFORMATION

Investment Fund Services Limited acts as authorised corporate director or authorised unit trust manager in respect of the following OEICs and unit trusts:

- IFSL AMR OEIC
- IFSL atomos OEIC
- IFSL Avellemy OEIC
- IFSL Avellemy Multi-Manager OEIC
- IFSL Blackfinch OEIC
- IFSL Bowland Fund
- IFSL CAF Investment Fund
- IFSL CH Special Mandates Fund
- IFSL Church House Balanced Equity Income Fund
- IFSL Church House Esk Global Equity Fund
- IFSL Church House Investment Grade Fixed Interest Fund
- IFSL Church House UK Equity Growth Fund
- IFSL CPN OEIC
- IFSL Equilibrium OEIC
- IFSL Evenlode Investment Funds ICVC
- IFSL Hathaway Fund
- IFSL James Hambro Umbrella Fund
- IFSL Marlborough Balanced Fund
- IFSL Marlborough Bond Income Fund
- IFSL Marlborough Cautious Fund
- IFSL Marlborough Emerging Markets Trust
- IFSL Marlborough European Special Situations Fund
- IFSL Marlborough Extra Income Fund
- IFSL Marlborough Global Bond Fund
- IFSL Marlborough Global Fund
- IFSL Marlborough Global Innovation Fund
- IFSL Marlborough High Yield Fixed Interest Fund
- IFSL Marlborough Multi-Asset OEIC
- IFSL Marlborough Multi-Cap Growth Fund
- IFSL Marlborough No2 OEIC
- IFSL Marlborough OEIC
- IFSL Marlborough Special Situations Fund
- IFSL Marlborough UK Micro-Cap Growth Fund
- IFSL Marlborough US Focus Fund
- IFSL Optima Fund
- IFSL Ravenscroft OEIC
- IFSL RC Brown OEIC
- IFSL Rockhold OEIC
- IFSL Signia OEIC
- IFSL SIM Junior Gold & Silver Miners Fund
- IFSL Titan OEIC
- IFSL Trade Union Unit Trust
- IFSL Wise Funds
- IFSL YOU Asset Management Funds
- Mazarin OEIC

The directors of Investment Fund Services Limited are:

Andrew Staley

In addition to his role as non-executive director of the ACD, Mr Staley also acts as managing director of Marlborough Investment Management Limited and is a director of Novia Global Limited, Marlborough Investment Management (UK) Limited, Marlborough Unit Trust Managers Limited, Marlborough Group Holdings Limited, UK Travel Limited and UFC Fund Management PLC.

Allan Hamer

Also a director of Marlborough Group Holdings Limited, Marlborough Fund Managers Ltd, MFM Unit Trust Managers Limited, IFSL Professional Services Limited, Marlborough International Management Limited and Marlborough International Fund PCC Limited.

Dom Clarke

Also a director of IFSL Platform Services Limited, IFSL Platform Service Providers Limited, Marlborough Investment Management Limited, Marlborough Investment Management International Limited, Marlborough Asset Managers Limited, UFC Fund Management PLC UFC Fund Management International Holdings Limited, Marlborough Nominee Limited (formerly MIM DFM Limited), MIM Discretionary FM Limited, Marlborough Fund Managers Ltd, MFM Unit Trust Managers Limited, Marlborough Group Holdings Limited, IFSL Professional Services Limited, Marlborough Select Platform Limited, Marlborough Partnership Limited, IFSL ICAV and Philotas Limited.

Helen Redmond

Also a director of IFSL Professional Services Limited.

Sally Helston

Also a director of Marlborough Partnership Limited.

Katherine Damsell

Independent non-executive director and Chair of the IFSL Board.

Sarah Peaston

Independent non-executive director – Also an independent non-executive director of Marlborough Select Platform Limited.

APPENDIX V

PAST PERFORMANCE AND INVESTOR PROFILE

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

1st April 2019 – 31st March 2024, Mid to Mid, UK Basic rate, Based in UK Sterling

	% Growth 01 Apr 19 to 31 Mar 20	% Growth 01 Apr 20 to 31 Mar 21	% Growth 01 Apr 21 to 31 Mar 22	% Growth 01 Apr 22 to 31 Mar 23	% Growth 01 Apr 23 to 31 Mar 24
IFSL Marlborough Global Innovation Fund Class A Acc	-11.71	110.25	-14.66	-13.93	-3.66

Source: Morningstar data.

Note: PLEASE NOTE THAT THE VALUE OF YOUR SHARES MAY GO DOWN AS WELL AS UP. PAST PERFORMANCE SHOULD NOT BE TAKEN AS A GUIDE TO THE FUTURE. PLEASE SEE APPENDIX I FOR THE COMPANY'S OBJECTIVE AND PAGE 14 FOR AN EXPLANATION OF INVESTOR PROFILE.

APPENDIX VI

DIRECTORY

The Company and Head Office:

IFSL Marlborough Global Innovation Fund
Marlborough House
59 Chorley New Road
Bolton, BL1 4QP

Authorised Corporate Director:

Investment Fund Services Limited
Marlborough House
59 Chorley New Road
Bolton, BL1 4QP

Depositary:

HSBC Bank Plc
8 Canada Square
London, E14 5HQ

Investment Manager:

Marlborough Investment Management Limited,
Croxall Hall,
Croxall Road,
Croxall,
Nr Alrewas,
Staffordshire, WS13 8RA

Sub-Investment Manager:

Canaccord Genuity Asset Management Limited
88 Wood Street
London, EC2V 7QR

Administrator and Registrar:

SS&C Financial Services International Limited
Head Office Address:
St. Nicholas Lane
Basildon
Essex, SS15 5FS

Auditors:

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh, EH3 8EX

APPENDIX VII
DEPOSITARY DELEGATES

Argentina	HSBC Bank Argentina S.A.
Australia	HSBC Bank Australia Limited
Austria	HSBC Continental Europe S.A., Germany
Bahrain	HSBC Bank Middle East Ltd, Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation, Bangladesh
Belgium	BNP Euronext, Belgium
Belgium	Euroclear Bank S.A./N.V.
Benin	Societe Generale Cote d'Ivoire
Botswana	Standard Chartered Bank Botswana Ltd
Brazil	BNP Paribas Brasil S.A
Bulgaria	UniCredit Bulbank AD
Burkina Faso	Societe Generale Cote d'Ivoire
Canada	Royal Bank of Canada
Chile	Banco Santander Chile
China	HSBC Bank (China) Company Ltd
Colombia	Santander CACEIS Services Columbia S.A. Sociedad Fiduciara
Costa Rica	Banco Nacional De Costa Rica
Croatia	Privredna Banka Zagreb d.d
Cyprus	BNP Paribas S.A. Athens Branch
Czech Republic	Ceskoslovenska Obchodni Banka, AS
Denmark	Skandinaviska Enskilda Banken AB (publ), Copenhagen Branch
Egypt	HSBC Bank Egypt SAE
Estonia	AS SEB Pank
Finland	Skandinaviska Enskilda Banken AB (publ.), Helsinki Branch
France	CACEIS Bank France
Germany	HSBC Continental Europe S.A., Germany
Ghana	Stanbic Bank Ghana Ltd
Greece	BNP Paribas S.A. Athens Branch
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited, Hong Kong
Hungary	Unicredit Bank Hungary Zrt
Iceland	Landsbankinn h.f.
India	The Hongkong and Shanghai Banking Corporation Ltd, India
Indonesia	PT Bank, HSBC, Indonesia
Ireland	HSBC Bank Plc, UK
Israel	Bank Leumi Le-Israel BM
Italy	BNP Paribas S.A.

Ivory Coast	Societe Generale Cote d'Ivoire
Japan	The Hongkong and Shanghai Banking Corporation Limited, Japan
Jordan	Bank of Jordan
Kenya	Stanbic Bank Kenya Ltd
Kuwait	HSBC Bank Middle East Ltd, Kuwait Branch
Latvia	AS SEB Banka
Lithuania	AB SEB Bankas
Luxembourg	Clearstream Banking SA
Malaysia	HSBC Bank Malaysia Berhad
Mali	Societe Generale Cote d'Ivoire
Mauritius	The Hongkong and Shanghai Banking Corporation Limited, Mauritius
Mexico	HSBC Mexico, S.A.
Morocco	Citibank Maghreb S.A.
Netherlands	BNP Euronext
New Zealand	The Hongkong and Shanghai Banking Corporation Limited, New Zealand
Niger	Societe Generale Cote d'Ivoire
Nigeria	Stanbic IBTC Bank
Norway	Skandinaviska Enskilda Banken AB (publ), Oslofilialen
Oman	HSBC Bank Oman S.A.O.G.
Pakistan	Citibank NA
Palestine	Bank of Jordan Plc Palestine Branch
Peru	Citibank del Peru
Philippines	The Hongkong and Shanghai Banking Corporation Limited, Philippines
Poland	Bank Polska Kasa Opieki S.A.
Portugal	BNP Euronext
Qatar	HSBC Bank Middle East Ltd, Qatar Branch
Romania	Citibank Europe plc, Dublin Romania branch
Russia	AO Citibank Russia
Saudi Arabia	HSBC Saudi Arabia Limited
Senegal	Societe Generale Cote d'Ivoire
Serbia	UniCredit Bank Srbija A.D.
Singapore	The Hongkong and Shanghai Banking Corporation Ltd, Singapore
Slovakia	Ceskoslovenska Obchodna Banka AS
Slovenia	Unicredit Banka Slovenia DD
South Africa	Standard Bank of South Africa
South Korea	The Hongkong and Shanghai Banking Corporation Limited, Korea
Spain	BNP Paribas S.A.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited, Sri Lanka
Sweden	Skandinaviska Enskilda Banken AB (publ.)

Switzerland	Credit Suisse, Switzerland (Ltd)
Taiwan	HSBC Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Mauritius) Ltd, Tanzania
Thailand	The Hongkong and Shanghai Banking Corporation Ltd, Thailand
Togo	Societe Generale Cote d'Ivoire
Tunisia	Union Internationale de Banques Tunisia
Turkey	Turk Ekonomi Bankasi A.S.
Uganda	Standard Chartered (Uganda) Ltd
United Arab Emirates	HSBC Bank Middle East Ltd
United Kingdom	HSBC Bank Plc
United States	HSBC Bank (USA) NA
Vietnam	HSBC Bank (Vietnam) Ltd
Zambia	Stanbic Bank Zambia Ltd - Lusaka
Zimbabwe	Standard Bank of South Africa Limited