TRUE POTENTIAL UNIT TRUST

AN UMBRELLA-TYPE AUTHORISED UNIT TRUST

PROSPECTUS

Prepared in accordance with the Collective Investment Schemes Sourcebook
valid as at and dated 29 September 2026

True Potential Administration LLP
Authorised and Regulated by the Financial Conduct Authority

(A UCITS Scheme with FCA Product Reference Number: 716503)

PROSPECTUS

OF

TRUE POTENTIAL UNIT TRUST

This document constitutes the Prospectus for True Potential Unit Trust (the **Trust**) which has been prepared in accordance with the terms of the rules contained in the Collective Investment Schemes Sourcebook (the **FCA Regulations**) published by the FCA as part of their Handbook of rules made under the Financial Services and Markets Act 2000 (the **Act**).

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Units in the Sub-fund(s). Investors should only consider investing in the Sub-fund(s) if they understand the risks involved including the risk of losing all capital invested.

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

The Prospectus is dated and is valid as at 29 September 2026.

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

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

The Prospectus is based on information, law and practice at the date hereof. Neither the Manager nor the Trustee are not bound by any out of date prospectus when they have issued a new prospectus and potential investors should check that they have the most recently published prospectus.

True Potential Administration LLP, the Manager of the Trust, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the FCA Regulations to be included in it.

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

The units 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. The Trust has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The Manager has not been registered under the United States Investment Advisers Act of 1940.

Table of Contents

1.	Definitions	4
2.	The Trust	8
3.	The Structure of the Trust	8
4.	Units	8
5.	Management and Administration	9
6.	The Trustee and Depositary	10
7.	The Investment Manager	13
8.	The Auditors	14
9.	The Administrator and Register of Unitholders	14
10.	The Prime Broker	14
11.	Conflicts of Interest	14
12.	Fair Treatment	15
13.	Client Money	15
14.	Buying, Selling and Switching units	15
15.	Buying units	15
15.1	Procedure	15
15.2	Documentation the purchaser will receive	17
15.3	Minimum subscriptions and holdings	17
15.4	In Specie Issue	17
16.	Selling units	18
16.1	Procedure	18
16.2	Documents the seller will receive	18
16.3	Minimum Redemption	18
16.4	In Specie Redemption	18
16.5	Direct Issue or Cancellation of units by the Trustee	19
16.6	Initial offer	20
17.	Switching	20
18.	Unit Class Conversions	21
18.9	Preliminary Charge	22
18.10	Redemption Charge	22
18.11	Switching Fee	22
19.	Dilution Adjustment	22
20.	Money Laundering	23
21.	Restrictions and Compulsory Transfer and Redemption	23
22.	Suspension of Dealings in the Trust	24
23.	Governing Law	25
24.	Valuation of the Trust	25
25.	Calculation of the Net Asset Value	25
26.	Price per unit in the Sub-Fund(s) and each Class	27
27.	Pricing basis	27
28.	Publication of Prices	28
29.	Risks	28
29.1	Risk Factors	28
29.2	General Risks	29
29.3	Equities Risk	29
29.4	Warrants Risk	29
29.5	Bonds and Debt Instruments (including High Yielding Securities) Risk	29
29.6	Lower Rated/Unrated Securities Risk	29
29.7	Collective Investment Schemes Risk	29
29.8	Leveraged Companies Risk	30
29.9	Leverage Risk	30
29.10	New Issue Risk	30
29.11	Derivatives and volatility	30

29.12	Foreign Currency Risk	32
29.13	Pricing and Valuation Risk	32
29.14	Emerging Countries and Developing Markets Risk	33
29.15	Investment Trust Risk	33
29.16	Risk to Capital	34
29.17	Liquidity Risk	34
29.18	Credit and Counterparty Risk	34
29.19	Settlement Risk	34
29.20	Custody Risk	35
29.21	Tax Risk	35
29.22	Inflation Risk	35
29.23	Sustainability Risk	35
29.24	Natural Disasters	35
29.25	Political and/or Environmental Risk	36
29.26	Market Risk	36
29.27	Risk Management	36
30.	Liabilities of the Trust	37
31.	Fees and Expenses	37
31.1	Annual Management Charge	37
31.2	Other payments out of Scheme Property	38
31.3	Trustee's Fees	41
32.	Unitholder meetings and Voting Rights	42
32.1	Class and Sub-Fund Meetings	42
32.2	Requisitions of Meetings	42
32.3	Notice and Quorum	43
32.4	Voting Rights	44
33.	Class Meetings	44
34.	Taxation	45
35.	Income equalisation	50
36.	Winding Up of the Trust	50
37.	General Information	51
37.1	Accounting Periods	51
37.2	Income Allocations	51
37.3	Annual and half yearly reports	52
37.4	Documents of the Trust	52
37.5	Notices	53
37.6	Complaints	53
37.7	Compensation	53
37.8	Telephone Recordings	54
37.9	Best Execution	54
37.10	Inducements and Soft Commission	54

Appendix 1	Investment objective, policy and other details of the Sub-Fund(s)	55
Appendix 2	Investment and borrowing powers	59
Appendix 3	Historical Performance Data	79
Appendix 4	Eligible Securities Markets	80
Appendix 5	Eligible Derivatives Markets	82
Appendix 6	Directory	84
Appendix 7	List of Authorised Funds for which True Potential Administration LLP acts as authorised fund manager or authorised corporate director	85
Appendix 8	List of sub-custodians	86

1. Definitions

In this Prospectus the words and expressions set out below shall have the meanings set opposite them unless the context requires otherwise. Words and expressions contained in this Prospectus but not defined herein shall have the same meanings as in the Act, the FCA Rules or the Trust Deed (as the case may be) unless the contrary is stated.

Accumulation Units means units (of whatever class) in a Sub-Fund as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the FCA Regulations, net of any tax deducted or accounted for by the Trust.

Act refers to the Financial Services and Markets Act 2000 as amended, extended, consolidated, substituted or re-enacted from time to time

AIFM refers to an alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Rules.

Approved Derivative means an approved derivative which is traded or dealt on an eligible derivatives market and any transaction in such a derivative must be effected on or under the rules of the market.

Approved Bank has the meaning defined in the FCA Rules, broadly an approved bank is the Bank of England or other OECD member state central bank, a bank with Part IV authorisation to accept deposits, a building society, or a bank supervised by the central bank or regulator in a member state of the OECD.

Auditor means Johnston Carmichael LLP, or such other entity as is appointed to act as auditor to the Trust from time to time.

Business Day means a day (not being Saturday or Sunday or any bank holiday in England and Wales) on which banks are open for business in London.

Class means a particular class or classes of unit in the Trust as described in Section 4.

Client money means any money that a firm receives from or holds for, or on behalf of, a unitholder in the course of, or in connection with, its business unless otherwise specified.

COLL refers to the appropriate chapter or rule in the FCA Regulations.

Dealing Day means a Business Day which does not fall within a period of suspension of calculation of the net asset value per unit of the relevant class or of the net asset value of the relevant Sub-Fund (unless stated otherwise in this Prospectus) and such other day as the Manager may, with the consent of the Trustee, decide from time to time.

EEA means European Economic Area.

Efficient Portfolio Management or **EPM** means techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:

(a) they are economically appropriate in that they are realised in a cost-effective way; and

(b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost; and/or

(iii) generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in the FCA Regulations.

Eligible Institution means one of certain eligible institutions as defined in the glossary of definitions to the FCA Regulations.

EMT means the European MiFID Template.

EUWA means the European Union Withdrawal Act 2018.

FCA the Financial Conduct Authority, or such successor regulatory authority as may be appointed from time to time, and (where applicable) its predecessors including the Financial Services Authority.

FCA Regulations the rules contained in the Collective Investment Schemes Sourcebook (COLL), and the Investment Funds Sourcebook (FUND), as part of the FCA Rules as they may be amended or updated from time to time.

FCA Rules the FCA's Handbook of Rules and Guidance (including the COLL Sourcebook).

HMRC means HM Revenue and Customs.

Income Units means units in a Sub-Fund as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the FCA Rules net of any tax deducted or accounted for by the Trust.

Investment Manager means True Potential Investments LLP of Newburn House, Gateway West, Newburn Riverside, Newcastle Upon Tyne NE15 8NX, or such successor Investment Manager(s) as may be appointed from time to time.

Manager means True Potential Administration LLP, the authorised fund manager of the Trust.

MiFID II means the Markets in Financial Instruments Directive, effective from 3 January 2018, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

Net Asset Value or **NAV** means the value of the Scheme Property of the Trust or of any Sub-Fund (as the context may require) less the liabilities of the Trust (or the Sub-Fund concerned) as calculated in accordance with the Trust Deed.

OTC derivative means over-the-counter derivative.

Prime Broker means a credit institution, regulated investment firm or another entity subject to prudential regulation and ongoing supervision, offering services to professional clients primarily to finance or execute transactions in financial instruments as counterparty and which may also provide other services, such as clearing and settlement of trades, custodial services, stock lending, customised technology and operational support facilities.

Regulations means the FCA Handbook of rules and guidance (including the COLL sourcebook) and the UCITS Directive (or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable).

Scheme Property means the property of the Trust or a Sub-Fund (as appropriate) to be held by the Trustee for safe-keeping, as required by the FCA Regulations.

Securities Financing Transactions or **SFTs** means securities financing transactions including repurchase transactions, securities lending and securities borrowing, buy-sell back transactions, sell-buy back transactions and margin lending transactions as defined by the Securities Financing Transactions Regulation but does not include commodities lending and commodities borrowing;

Securities Financing Transactions Regulation means Regulation (EU) of the European Parliament and the Council of 25 November 2015 on transparency of securities transactions and of reuse and amending Regulation (EU) No 648/2012 as amended or updated from time to time, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable;

SYSC means the Senior Management Arrangements, Systems and Controls Sourcebook of the FCA's Handbook of rules and guidance.

Sub-Fund means a sub-fund of the Trust and as is more particularly detailed in Appendix 1.

Trust Deed means the trust deed constituting the Trust, as amended or supplemented from time to time in accordance with the FCA Regulations.

Trust means True Potential Unit Trust.

Trustee or **Depositary** means Northern Trust Investor Services Limited, the trustee and depositary of the Trust.

Total Return Swaps means total return swaps as defined by the Securities Financing Transactions Regulation;

UCITS Directive means the 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/EC), as amended, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

UCITS Legislation means together the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2015, Commission Delegated Regulation (EU) No. 2016/438 of 17.12.2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries as replaced or converted into UK law.

Unitholder means a holder of units in a Sub-Fund.

Unit Class means a particular class or classes of unit in the Trust as described in Section 4.

UCITS Scheme means a scheme constituted in accordance with the FCA Rules.

US Person means US citizen (including dual citizen) or US resident alien for tax purposes, privately owned domestic corporation, domestic partnership, or a domestic trust or estate.

Valuation Point means the point, on a Dealing Day whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Scheme Property for the purpose of determining the price at which units of a Class may be issued, cancelled or redeemed. The current Valuation Point is 3.00pm London time on each Dealing Day, with the exception of the last Business Day prior to any bank holiday in England and Wales where the valuation may be carried out at a time agreed in advance between the Manager and the Trustee.

Any reference in this Prospectus to any statute, statutory provision or regulation shall be construed as including a reference to any modification, amendment, extension, replacement or re-enactment thereof for the time being in force.

2. The Trust

2.1 The True Potential Unit Trust is an umbrella unit trust authorised by the Financial Conduct Authority whose effective date of authorisation by the FCA was 3 November 2015.

2.2 Approval by the FCA in this context refers only to approval under the Act and does not in any way indicate or suggest endorsement or approval of the Sub-fund(s) as an investment.

2.3 The base currency of the Trust is Pounds Sterling or such other currency or currencies as may be the lawful currency of the United Kingdom from time to time. The value of the Scheme Property attributable to prices of units of and payments made in respect of each Sub-Fund shall be calculated or made in the base currency of the Trust.

2.4 Units in the Trust have no par value and therefore the unitised capital of the Trust at all times equals the Trust's current Net Asset Value.

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

2.6 The Trust has been established as a "UCITS scheme".

2.7 FCA Product Reference Number: 716503

3. The Structure of the Trust

3.1 As explained above the Trust is an umbrella scheme and is a UCITS scheme.

3.2 The Trust is structured as an umbrella in that units representing interests in different Sub-Funds may be issued from time to time by the Trustee as instructed by the Manager.

3.3 Investment of the assets of the Sub-Fund(s) must comply with the FCA Regulations and the investment objective and policy of the particular Sub-Fund. Details of the Sub-Fund(s), including each Sub-Fund's investment objective and policy, are set out in Appendix 1.

3.4 The Sub-Fund(s) are segregated portfolios of assets and, accordingly, the assets of a Sub-Fund belong exclusively to that Sub-Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Trust, or any other Sub-Fund, and shall not be available for any such purpose.

3.5 The eligible securities markets and eligible derivatives markets on which the Sub-Fund(s) may invest are set out in Appendix 4 and Appendix 5. A detailed statement of the general investment and borrowing restrictions in respect of the Sub-Fund(s) is set out in 0.

3.6 Details of the Sub-Fund(s) including their investment objectives and policies are set out in Appendix 1.

4. Units

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

4.2 The Classes of units presently available in the Sub-Fund(s) are set out in Appendix 1. Further Classes of unit may be made available in due course, as the Manager may decide.

4.3 The minimum initial investment, subsequent investment and holding requirements for each Class of unit is set out in Appendix 1. These limits may be waived at the discretion of the Manager.

4.4 All units issued by the Sub-Fund(s) at present will be A Income Units, A Accumulation Units, B Income Units or B Accumulation Units.

5. Management and Administration

The Manager

5.1 The Manager of the Trust is True Potential Administration LLP which is a limited liability partnership registered in England and Wales under the Limited Liability Partnership Act 2000. The Manager was incorporated on 18 February 2019 (Registered No OC426081).

5.2 Registered Office and Head Office:

Newburn House, Gateway West, Newburn Riverside, Newcastle Upon Tyne, NE15 8NX

5.3 Information on the typical investor profile for each Sub-fund is set out in Appendix 1.

5.4 The main business activity of the Manager is acting as an authorised fund manager (Manager and authorised corporate director).

5.5 The Manager is responsible for managing and administering the Trust's affairs in compliance with the FCA Regulations.

5.6 As at the date of this Prospectus, the Manager acts as authorised fund manager or authorised corporate director of the FCA-authorised funds set out in Appendix 7.

5.7 In accordance with the FCA Regulations, the Manager has delegated the provision of investment management services to True Potential Investments LLP as set out below. The Manager has also delegated the provision for fund accounting, transfer agency, registrar, and other administration services to The Northern Trust Company (acting through its London Branch).

5.8 The members of Management are Michael Martin, Simon White, Fiona Laver, Henrietta Jowitt, Helen Webster and True Potential LLP. None of the members have any business activities (which are not connected with the business of the Manager or any of its associates) which are of significance to the Trust's business other than those interests connected with the business of the Trust.

5.9 The Manager’s remuneration policy is designed to be compliant with the UCITS Remuneration Code contained in SYSC 19E of the FCA’s Handbook (the “Remuneration Policy”). It sets out policies and practices that are consistent with and promote sound and effective risk management. The Remuneration Policy describes how remuneration and benefits are calculated and identifies those

individuals responsible for rewarding remuneration and benefits. It is in line with the business strategy, objectives, values and interests of the Manager and the Sub-Fund and includes fixed and variable components of salaries and discretionary pension benefits. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the Manager including senior management, material risk takers and control functions.

A summary and up-to-date details of the Remuneration Policy are available via www.truepotential.co.uk/fund-documents.

A paper copy of that website information can be obtained free of charge by telephoning 0191 500 8807 or 0800 740 8191.

5.10 To the extent allowed by the FCA Regulations, the Trust Deed contains indemnities in favour of the Manager against actions, proceedings, claims, costs, demands, losses and expenses which may be brought against or suffered or incurred by the Manger in relation to the Trust Deed or the carrying out of the Manager's powers and duties under or pursuant to the Trust Deed – except where the Manager has been guilty of wilful misconduct, bad faith, or reckless disregard for its obligations and duties or negligence.

5.11 The Manager is under no obligation to account to the Trustee, the Sub-Fund(s), the Trust or the Unitholders for any profit it makes on the issue or re-issue of units or cancellation of units which it has redeemed. The fees to which the Manager is entitled are set out in Section 31.

5.12 Upon termination of the Manager Agreement and the appointment of another Manager (the New Manager), the Manager may transfer any sums being held as client money to the New Manager, who will continue to hold the money in accordance with FCA client money rules.

5.13 The Unitholder will be given the opportunity, upon request, to have the proceeds returned by submitting a written request to the Transfer Agency Team at the Manager's address.

6. The Trustee and Depositary

6.1 General

The Trustee and Depositary of the Trust is Northern Trust Investor Services Limited, a UK Private limited company, incorporated on 29 April 2020 with company number 12578024. Its registered office and principal place of business is at 50 Bank Street, London E14 5NT.

The Depositary is authorised and regulated by the Financial Conduct Authority.

The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

6.2 Duties of the Depositary

The Depositary is responsible for the safekeeping of all the Scheme Property of each Sub-Fund and must ensure that each Sub-Fund is managed in accordance with the Trust Deed and the provisions of the COLL Sourcebook relating to the pricing of, and dealing in, units and relating to income and the investment and borrowing powers of the Sub-Funds.

The Depositary is also responsible for monitoring the cash flows of each Sub-Fund, and must ensure that certain processes carried out by the Manager are performed in accordance with the FCA Rules, this Prospectus and the Trust Deed.

6.3 Delegation of Safekeeping Functions

To the extent permitted by applicable regulations, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its safekeeping duties as Depositary. As a general rule, where the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has delegated custody services to The Northern Trust Company, London Branch (the "Custodian"). The Custodian has sub-delegated custody services to sub-custodians in markets in which the Sub-Funds may invest. A list of sub-custodians is given in Appendix 11. Investors should note that the list of sub-custodians is updated only at each Prospectus review.

6.4 Updated Information

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

6.5 Terms of Appointment

The appointment of the Depositary has been made under an agreement (as amended and novated from time to time) between the Manager and the Depositary (the "Depositary Agreement"). The Depositary Agreement is terminable on receipt of 90 calendar days' written notice given by either party. The Depositary may not retire voluntarily except on the appointment of a new Depositary.

The Depositary Agreement contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

The Depositary is entitled to receive remuneration out of the Annual Management Charge received by the Manager as explained in paragraph 31.3 below.

6.6 Conflicts of Interest

6.6.1 General

The Depositary may act as the depositary of other investment funds and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Trust or a particular Sub-Fund and/or other funds managed by the Manager or other funds for which the Depositary acts as the depositary, trustee or custodian.

There may also be conflicts arising between the Depositary and the Trust or Sub-Funds, the Unitholders or the Manager. In addition, the Depositary also has a regulatory duty when providing the Services to act solely in the interests of Unitholders and the Trust (including its Sub-Funds). In order to comply with this requirement, the Depositary may in some instances be required to take actions in the interests of Unitholders and the Trust (including its Sub-Funds) where such action may not be in the interests of the Manager.

6.6.2 Affiliates

From time to time conflicts may arise from the appointment by the Depositary of any of its delegates. For example, the Custodian also performs certain investment operations and functions and derivatives collateral management functions delegated to it by the Investment Manager.

The Depositary, and any other delegate, is required to manage any such conflict having regard to the FCA Rules and its duties under the Depositary Agreement.

The Depositary will ensure that any such delegates or sub-delegates who are its affiliates are appointed on terms which are not materially less favourable to a Sub-Fund than if the conflict or potential conflict had not existed.

The Custodian and any other delegate are required to manage any such having regard to the FCA Rules and its duties to the Depositary and the Manager.

6.6.3 Conflicting commercial interests

The Depositary (and any of its affiliates) may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Trust, Sub-Fund(s) or the Unitholders.

This includes circumstances in which the Depositary or any of its affiliates or connected persons: acts as market maker in the investments the Sub-Funds;

provides broking services to the Sub-Funds 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 Sub-Funds; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Sub-Funds; or earns profits from or has a financial or business interest in any of these activities.

6.6.4 **Management of conflicts**

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.

6.6.5 **GDPR**

Northern Trust's EMEA Data Privacy Notice sets out how the Depositary will process Unitholders' personal information as a data controller where these details are provided to it in connection with Unitholders' investment in the Sub-Funds.

Northern Trust's EMEA Data Privacy Notice may be updated from time to time and readers should confirm that they hold the latest version which can be accessed at www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice.

Any Unitholder who provides the Manager and its agents with personal information about another individual (such as a joint investor), must show Northern Trust's EMEA Data Privacy Notice to those individuals.

7. The Investment Manager

7.1 The Manager has appointed True Potential Investments LLP to provide discretionary investment management and related advisory services to the Manager pursuant to an investment management agreement (the Investment Management Agreement).

7.2 The Investment Manager has the authority to make investment decisions on behalf of the Manager in relation to the Trust and the Sub-Fund(s).

7.3 The Investment Management Agreement may be terminated on 12 months' written notice by the Manager or the Investment Manager. Such notice may only be given at any time after the end of the two-year contractual period. The two-year contractual period commences on 01 March 2017. Notwithstanding this, the Manager may terminate the Investment Management Agreement with immediate effect if it is in the interests of the Unitholders.

7.4 Under the Investment Management Agreement, the Manager provides indemnities to the Investment Manager, (except in the case of any matter arising as a direct result of its fraud, negligence, default or bad faith). The Manager may be entitled under the indemnities in the Trust Deed to recover

from the Trust amounts paid by the Manager under the indemnities in the Investment Management Agreement.

7.5 Subject to the FCA Regulations, the Investment Manager has power under the Investment Management Agreement to sub-delegate all or any part of its functions as investment manager. The Manager has agreed that the Investment Manager may appoint those persons specified in Appendix 1 as delegated sub-investment managers.

7.6 The principal business activity of the Investment Manager is as a platform operator, SIPP provider and operator and provider of investment management services.

7.7 The Investment Manager's fees and expenses are paid out of the annual management charge which is paid out of Scheme Property. Please see Section 31 for further details.

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

7.9 The Investment Manager is part of the same corporate group as the Manager.

8. The Auditors

The Auditors of the Trust are Johnston Carmichael LLP, whose address is Bishop's Court, 29 Albyn Place, Aberdeen, AB10 1YL.

9. The Administrator and Register of Unitholders

9.1 The Manager has appointed The Northern Trust Company (acting through its London Branch) as administrator to provide fund accounting, transfer agency, registrar and other administration services. The administrator is responsible for the administration of Unitholders' accounts, liaison with Unitholders and reporting to Unitholders and processing unit purchase and sale requests.

9.2 The register of Unitholders is maintained by the Manager at its office at Newburn House, Gateway West, Newburn Riverside, Newcastle Upon Tyne, NE15 8NX and may be inspected at that address during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

10. The Prime Broker

The Trust does not currently require the services of a Prime Broker.

11. Conflicts of Interest

11.1 The Manager, the Trustee, the Investment Manager and any sub-investment manager may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the management of the Trust or Sub-Fund(s). In addition, the Trust may enter into transactions at arm's length with companies in the same group as the Manager and the Investment Manager or a sub-investment manager. Copies of the Manager's, the Investment Manager's and any sub-investment manager's conflicts of interest policies are available from the Manager on request.

11.2 The Trustee may, from time to time, act as trustee or depositary of other funds. Fund details regarding management of conflicts of interest by the Trustee are set out in paragraph 6.6 above.

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

11.4 The Manager maintains a written conflict of interest policy. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Trust or its unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided, disclose these to unitholders in the report and accounts or otherwise an appropriate format.

12. Fair Treatment

To ensure the fair treatment of Unitholders is central to all the activities of the Manager, the Manager has implemented a Treating Customers Fairly policy, against which all its policies and procedures and those of its delegates are measured and must conform. This ensures that conflicts of interest are appropriately managed in a way that is fair to Unitholders as outlined in Section 11 that expenses are proportionate and allocated fairly (see "Fees and Expenses") that Unitholders can redeem their holdings (see "Buying units" and "Selling units") and that if Unitholders are dissatisfied with their treatment their complaints are assessed by an independent and impartial investigator (see "Complaints").

13. Client Money

The Manager is not permitted to, and does not, hold client money.

Money may not be treated as client money in respect of a delivery versus payment transaction for the purpose of settling a transaction in relation to units in the regulated collective investment scheme in either of the following circumstances:

(i) the Manager receives the money from a client in relation to the Manager's obligation to issue units in accordance with COLL; or

(ii) the money is held in the course of redeeming units where the proceeds of that redemption are paid to a client within the time specified in COLL.

The Manager is covered by the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation if the Manager is unable to meet its financial obligations. For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) refer to the FSCS website www.FSCS.org.uk or call the FSCS on 020 7741 4100 or 0800 678 1100.

14. Buying, Selling and Switching units

The dealing office of the Manager is open from 9.00 am until 5.00 pm on each Business Day to receive requests for the purchase, redemption and switching of units, which will be effected at prices determined at the next Valuation Point following receipt of such request. The Manager may accept applications to buy,

sell, switch and convert units by electronic communication. A unitholder may effect transfer of title to units by electronic communication. Electronic communication does not include email.

15. Buying units

15.1 Procedure

15.1.1 Units in a Sub-Fund can be purchased by sending a completed application form to the Manager, either:

(a) Where minimum investment levels allow accompanied by a cheque (up to a maximum value of £50,000); or

(b) having made a telegraphic transfer to the Manager's bank account. Application forms are available from the Manager.

The Manager will accept written instructions accompanied by a cheque or on receipt of a payment by telegraphic transfer on subsequent transactions which can be carried out by writing to the Transfer Agency Team of the Manager at the address set out in Appendix 6. The Manager will also accept telephone purchases from FCA regulated entities for subsequent investments, which may purchase units by telephoning the Manager on 0191 500 8807 or 0800 740 8191. The Manager may accept instructions to buy units by electronic communication. A unitholder may effect transfer of title to units by electronic communication. Electronic communication does not include email. Subsequent transactions will be processed as at the next Dealing Day. Where an instruction has been received by telephone, or where the Manager has, at its discretion, accepted an instruction prior to receiving settlement, settlement is due within four Business Days of the Valuation Point. Purchases made by telephone are subject to risk limits at the Manager's discretion, and the Manager may at its discretion reject or defer an instruction to purchase units until it is in receipt of cleared funds for the purchase (when the purchase of units will be placed at the next Valuation Point following receipt of cleared funds). An order for the purchase of units will only be deemed to have been accepted by the Manager once it is in receipt of cleared funds for the application.

Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph "Telephone Recordings" below for further information.

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

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

15.1.4 The Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the Manager may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

15.1.5 Any subscription monies remaining after a whole number of units have been issued will not be returned to the applicant. Instead, smaller denomination units will be issued.

15.1.6 Unitholders have the right to cancel their transactions within 14 calendar days of receipt of their contract note. If a Unitholder cancels their contract, they will receive a refund of the amount that they invested including the initial charge either in full or less a deduction to reflect any fall in unit price since the date of investment. This may result in a loss on the part of the Unitholder. If Unitholders wish to exercise their right to cancel they should write to the Transfer Agency Team of the Manager at the address set out in Appendix 6. Unitholders will not be able to exercise their cancellation rights after 14 calendar days of receipt of their contract note. Unitholders should note that in certain circumstances, there may be a delay in returning their investment.

15.2 Documentation the purchaser will receive

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

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

15.3 Minimum subscriptions and holdings

15.3.1 The minimum initial and subsequent subscription levels, and minimum holdings, for the Sub-Fund(s), are set out in Appendix 1. The Manager may at its discretion accept subscriptions lower than the minimum amount.

15.3.2 If a holding is below the minimum holding required by the relevant Sub-Fund the Manager has discretion to require redemption of the entire holding in that Sub-Fund.

15.4 In Specie Issue

If a Unitholder requests, the Manager may, at its discretion and subject to the approval of the Investment Manager and the Trustee, arrange acceptance of securities in settlement of a purchase of units in any Sub-Fund. In particular the Manager and Trustee will only do so where satisfied that the acceptance of the assets concerned would not be likely to result in any material prejudice to the interests of Unitholders.

16. Selling units

16.1 Procedure

16.1.1 Every Unitholder in a particular Sub-Fund has the right to require that Sub-Fund to redeem his units on any Dealing Day unless the value of units which a Unitholder wishes to redeem will mean that the Unitholder will hold units with a value less than the required minimum holding of the relevant Sub-Fund, in which case the Unitholder may be required to redeem his entire holding.

16.1.2 Requests to redeem units may be made in writing to the Transfer Agency Team of the Manager at the address set out in Appendix 6. The Manager may also, at its discretion and by prior agreement, accept instructions to redeem units from FCA regulated entities by telephone on 0191 500 8807 or 0800 740 8191 or by fax. Requests will not be accepted by email.

Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph "Telephone Recordings" below for further information.

16.2 Documents the seller will receive

A contract note giving details of the number and price of units sold will be sent to the selling Unitholder (the first named, in the case of joint Unitholders) or their duly authorised agents together with a form of renunciation for completion and execution by the Unitholder (and, in the case of a joint holding, by all the joint holders) not later than the end of the next Business Day following the Valuation Point by reference to which the redemption price is determined. A BACS or telegraphic transfer will be made in satisfaction of the redemption monies within four Business Days of the later of:

16.2.1 receipt by the Manager of the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Unitholders and completed as to the appropriate number of units, together with any other appropriate evidence of title; or

16.2.2 the Valuation Point following receipt by the Manager of the request to redeem.

16.3 Minimum Redemption

Part of a Unitholder's holding in a Sub-Fund may be sold but the Manager reserves the right to refuse a redemption request if the value of the units to be redeemed is less than the relevant minimum redemption amount set out in Appendix 1 or would result in a Unitholder holding less than the minimum holding required by the relevant Sub-Fund, as detailed in Appendix 1. In the latter case the Unitholder may be asked to redeem their entire unitholding.

16.4 **In Specie Redemption**

16.4.1 If a Unitholder requests the redemption of units in any Sub-Fund, the Manager may, if it considers the deal substantial in relation to the total size of the relevant Sub-Fund, arrange for that Sub-Fund to cancel the units and transfer Scheme Property to the Unitholder instead of paying the price of the units in cash. A deal involving units representing 5% or more in value of a Sub-Fund will normally be considered substantial, although the Manager may in its discretion agree an in specie redemption with a Unitholder whose units represent less than 5% in value of the Sub-Fund concerned.

16.4.2 Before the proceeds of cancellation of the units become payable, the Manager will give written notice to the Unitholder that Scheme Property will be transferred to that Unitholder.

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

16.5 **Direct Issue or Cancellation of units by the Trustee**

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

16.6 **Initial offer**

The Manager may arrange for there to be an initial offer period in respect of any newly established Sub-Fund, commencing on the date of the launch of the relevant Sub-Fund. During such a period, the price at which units in that Sub-Fund can be bought will be fixed by the Manager and notified to the Trustee at or before the start of that period. Please note that if in the reasonable opinion of the Manager, the operation of the Trust or any Sub-Fund is not viable at any time, the Manager may, subject to compliance with the FCA Regulations and subject to the agreement of the Trustee, terminate a Sub-Fund, terminate the trust or consider any other alternative as may be appropriate in the circumstances.

17. Switching

17.1 A holder of units may at any time switch all or some of his units (**Old Units**) for units in a different Sub-Fund or fund (**New Units**).

17.2 Upon a switch the Old Units will be repurchased and New Units will be issued to the same Unitholder. The number of New Units issued will be determined by reference to the respective prices of New Units and Old Units at the Valuation Point applicable at the time the Old Units are repurchased and the New Units are issued.

17.3 Switching may be effected by writing to the Manager. The Manager may, at its sole discretion and by prior agreement, accept switching instructions by telephone from FCA regulated entities only. It is not possible to switch units on the authority of an email. A switching unitholder must be eligible to hold the units into which the switch is to be made. The Manager may accept instructions to switch units by electronic communication. Electronic communication does not include email.

Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph “Telephone Recordings” below for further information.

17.4 The Manager may at its discretion charge a fee on the switching of units between classes or Sub-Funds or funds. These fees are set out in Section 18.11.

17.5 If the switch would result in the Unitholder holding a number of Old Units or New Units of a value which is less than the minimum holding required in respect of the Sub-Fund or fund concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Units to New Units or refuse to effect any switch of the Old Units. No switch will be made during any period when the right of Unitholders to require the redemption of their units is suspended (as to which see Section 22 below). The general provisions on selling units shall apply equally to a switch.

17.6 The Manager may adjust the number of New Units to be issued to reflect the imposition of any switching fee together with any other charges or levies in respect of the issue or sale of the New Units or repurchase or cancellation of the Old Units as may be permitted pursuant to the FCA Regulations.

17.7 Please note that in accordance with UK tax law a switch of units in one Sub-Fund or fund for units in another Sub-Fund or fund is treated as a redemption

of the Old Units and a purchase of New Units which will, for persons subject to UK tax law, be a realisation of the Old Units for the purposes of capital gains tax, which may give rise to a liability to tax depending on the Unitholder's circumstances.

17.8 A Unitholder who switches units in one Sub-Fund or fund for units in any other Sub-Fund or fund will not be given a right by law to withdraw from or cancel the transaction.

18. Unit Class Conversions

18.1 If applicable, a holder of units in a Class of units of a Sub-Fund (**Old Class Units**) may exchange all or some of his units for units of a different unit Class within the same Sub-Fund (**New Class Units**). An exchange of Old Class Units for New Class Units will be processed as a conversion (**Unit Class Conversion**).

18.2 Unlike a switch (as set out at Section 17 above), a conversion of Old Class Units into New Class Units will not involve a redemption and issue of units. For the purposes of Income Equalisation the New Class Units will receive the same treatment as the Old Class Units.

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

18.4 Unit Class Conversions must be effected in writing to the Transfer Agency Team of the Manager. Unit Class Conversions will not be effected by telephone or by email.

Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph “Telephone Recordings” below for further information.

18.5 A converting Unitholder must be eligible to hold the units into which the conversion is to be made. It is the Manager’s intention that Unit Class Conversions will be processed at the next valuation time following receipt of the instruction, however the Manager reserves the right to defer a Unit Class Conversion until no later than after the next annual accounting date if it is in the interests of other Unitholders.

18.6 If the Unit Class Conversion would result in the Unitholder holding a number of Old Class Units or New Class Units of a value which is, in either case, less than the minimum holding in the unit Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant’s holding of Old Class Units to New Class Units or refuse to affect any conversion of the Old Class Units.

18.7 Please note that, under current tax law, a conversion of units between different unit Classes within the same Sub-Fund will not normally be deemed to be a realisation for the purposes of capital gains taxation.

18.8 A Unitholder who converts their units in one Class to units in a different Class will not be given a right by law to withdraw from or cancel the transaction.

18.9 Preliminary Charge

The Manager may impose a charge on the sale of units to investors which is based on the amount invested by the prospective investor (though this may be waived wholly or partially at the Manager's discretion). The preliminary charge is payable to the Manager. Full details of the current preliminary charges for each Class of unit are set out in Appendix 1.

18.10 Redemption Charge

18.10.1 The Manager may make a charge on the redemption of units in a Sub-Fund (though this may be waived wholly or partially at the Manager's discretion). At present no redemption charge is levied.

18.10.2 The Manager may not introduce a redemption charge on units unless, not less than 60 days before the introduction, it has given notice in writing to the then current Unitholders at their registered address of that introduction and has revised and made available the Prospectus to reflect the introduction and the date of its commencement.

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

18.11 Switching Fee

On the switching of units of one fund or Sub-Fund for units of another fund or Sub-Fund the Manager may impose a switching fee. The fee will not exceed an amount equal to the then prevailing preliminary charge for the fund into which units are being switched. Currently no switching charge is levied.

19. Dilution Adjustment

The basis on which the Sub-Fund(s) investments are valued for the purpose of calculating the issue and redemption price of units as stipulated in the FCA Regulations and the Trust Deed is summarised in Section 25. The actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the unit price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Unitholders' interest. In order to prevent this effect, called "dilution", the Manager has the power to make a "dilution adjustment" to the price of units. If a dilution adjustment is not made, the cost of purchasing or selling investments for the Sub-Fund(s) subsequent to Unitholder dealing will be borne by the Sub-Fund(s) with a consequent effect on future growth. A dilution adjustment will be calculated by reference to the costs of dealing in the underlying investments of the Sub-Fund(s), including any dealing spreads, commission and transfer taxes. If made, the dilution adjustment will be for the benefit of the Sub-Fund(s). The actual percentages can only be accurately calculated at the time at which they are applied and, as such, these percentages are subject to change.

The need to make a dilution adjustment will depend on the volume of sales or redemptions. The Manager may make a dilution adjustment if, in its opinion, the existing Unitholders (for sales) or remaining Unitholders (for redemptions) might

otherwise be adversely affected, and if making a dilution adjustment is, so far as practicable, fair to all Unitholders and potential Unitholders. In particular, the dilution adjustment may be made on days when a Sub-Fund experiences transactions in units which exceed the calculated threshold which is unique to that Sub-Fund, and is calculated based on the historical dealing charges, and the Net Asset Value (NAV) of that Sub-Fund.

It is therefore not possible to predict accurately whether dilution would occur at any point in time. If a dilution adjustment is required then, based on historic data the estimated rate or amount of such adjustment on sales (creations) and redemptions(liquidations) can be found in Appendix 1 and will be incurred on around 14% of deals. If a dilution adjustment is not made then this may restrict the future growth of the Sub-Fund(s).

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

20. Money Laundering

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

21. Restrictions and Compulsory Transfer and Redemption

21.1 The Manager may from time to time impose such restrictions or take such action as it may think necessary for the purpose of ensuring that no units are acquired or held by any person:

21.1.1 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

21.1.2 in breach of requirement for the holding of units as specified in this Prospectus.

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

21.2 Without prejudice to Section 21.1, if the Manager reasonably believes that any units are owned directly or beneficially in circumstances which:

21.2.1 constitute a 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

21.2.2 may (or may if other units are acquired or held in like circumstances) result in the Trust incurring any liability to taxation 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),

it may give notice to the holder of such units requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the units.

21.3 If the holder does not either transfer the units to a qualified person or establish to the Manager's satisfaction that he or she and any person on whose behalf he or she holds the units are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a 30-day period to have requested their redemption.

21.4 In addition, where:

21.4.1 the Manager considers it is in the best interests of Unitholders; or

21.4.2 the Manager reasonably believes that the Unitholder no longer satisfies a requirement for remaining a Unitholder of the Class (as specified in Appendix 1);

the Manager may convert or switch a Unitholder's holding in one Class to another Class in the same Sub-Fund. The Manager shall give prior written notice to the Unitholder concerned of the proposed conversion or switch, including details of the new Class and reminding the affected Unitholder of its rights to redeem.

21.5 Accordingly, Unitholders should note that:

21.5.1 they may be asked to provide additional information (including information regarding their tax residence) to the Manager to enable the Trust (or each Sub-Fund) to satisfy these obligations;

21.5.2 the Trust may be required to report these details to HMRC; and

21.5.3 HMRC may subsequently exchange this information with other governments or tax authorities in other jurisdictions.

21.6 Institutional Unitholders may be required to provide a Global Intermediary Identification Number (**GIIN**).

21.7 Failure to provide requested information may subject a Unitholder to liability for any resulting withholding taxes, tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's interest in its unit.

21.8 The GIIN for each Sub-Fund is available on request.

22. Suspension of Dealings in the Trust

22.1 The Manager may, with the prior agreement of the Trustee, or must if the Trustee so requires, temporarily suspend the issue, cancellation, sale and redemption of units in any or all of the Sub-Fund(s), if the Manager or the Trustee is of the opinion that due to exceptional circumstances it is in the

interests of all the Unitholders in the relevant Sub-Fund(s) to do so. The suspension will only be permitted to continue for as long as it is justified having regard to the interests of the Unitholders. On suspension, the Manager (or the Trustee if it has required the Manager to suspend dealings in units) must immediately notify the FCA giving reasons for the action. The Manager and the Trustee must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

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

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

23. Governing Law

23.1 All deals in units are governed by the laws of England and Wales.

23.2 By applying for units in a Sub-Fund, the Unitholder agrees to be bound by the Trust Deed and this Prospectus (as may be amended from time to time). The Trust, the Trust Deed and this Prospectus are governed by the laws of England and Wales. The Trust, the Manager and Unitholders will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with a Unitholder's investment in a Sub-Fund or any related matter.

24. Valuation of the Trust

24.1 The price of a unit in the Sub-Fund is calculated by reference to the Net Asset Value of that Sub-Fund. There is only a single price for any unit as determined from time to time by reference to a particular Valuation Point. The Net Asset Value per unit of each Sub-Fund is currently calculated on each Dealing Day at 3.00 pm.

24.2 The Manager may at any time during a Business Day carry out an additional valuation if the Manager considers it desirable to do so.

25. Calculation of the Net Asset Value

25.1 The value of the Scheme Property of the Trust or a Sub-Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

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

25.2.1 Property which is not cash (or other assets dealt with in Section 25.2.2 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

(a) units or shares in a collective investment scheme:

(i) if a single price for buying and selling units or shares is quoted, at that price; or

(ii) if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

(iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the Manager, is fair and reasonable;

(b) exchange-traded derivative contracts:

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

(ii) if separate buying and selling prices are quoted, at the average of the two prices;

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

(d) any other investment:

(i) if a single price for buying and selling the security is quoted, at that price; or

(ii) if separate buying and selling prices are quoted, at the average of the two prices; or

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

(e) property other than that described in Sections 25.2.1 (a) - (d): at a value which, in the opinion of the Manager, represents fair and reasonable mid-market price.

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

25.2.3 In determining the value of the Scheme Property, all instructions given to issue or cancel units shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received, whether or not this is the case.

25.2.4 Subject to Sections 25.2.5 and 25.2.6 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all

consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount.

25.2.5 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under Section 25.2.4.

25.2.6 All agreements are to be included under Section 25.2.4 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the Manager's employment take all reasonable steps to inform it immediately of the making of any agreement.

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

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

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

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

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

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

25.2.13 Currencies or values in currencies other than the base currency or (as the case may be) the designated currency of a Sub-Fund 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 Unitholders or potential Unitholders.

26. Price per unit in the Sub-Fund(s) and each Class

The price per unit at which units are bought, redeemed or switched is the Net Asset Value per unit. Any initial charge or redemption charge (or dilution adjustment or SDRT on a specific deal, if applicable) is deducted from the proceeds and is taken from the gross subscription or redemption monies.

27. Pricing basis

The Trust deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the sale or redemption is agreed.

28. Publication of Prices

Unitholders can obtain the price of their units on, www.truepotential.co.uk/fund-prices, or by telephoning 0191 500 8807 or 0800 740 8191. Prices are published on each Dealing Day.

29. Risks

29.1 Risk Factors

Potential investors should consider the following risk factors before purchasing units in a Sub-Fund. units in a Sub-Fund should generally be regarded as a long-term investment.

The main risks associated with the investment activity of the Sub-Fund(s) are summarised below. The following statements are intended to summarise some of the risks, but are not exhaustive, nor do they offer advice on the suitability of investments.

29.2 General Risks

There is no assurance that the investment objective of each Sub-Fund will actually be achieved.

The price of units and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a reliable indicator of future performance.

29.3 Equities Risk

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

29.4 Warrants Risk

Where a Sub-Fund is invested in warrants, the price per unit may fluctuate more than if that Sub-Fund was invested in the underlying securities because of the greater volatility of the warrant price.

29.5 Bonds and Debt Instruments (including High Yielding Securities) Risk

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

29.6 Lower Rated/Unrated Securities Risk

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

29.7 Collective Investment Schemes Risk

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

29.8 Leveraged Companies Risk

Investments may be made in companies or collective investment schemes which borrow funds. Such companies or collective investment schemes may not be subject to any limitations on the amount of their borrowings, and the amount of borrowings that they may have outstanding at any time may be large in comparison to their capital. Furthermore, where a Sub-Fund is permitted to borrow in order to make investments, Unitholders must be aware that they may suffer a greater risk resulting from the decline of the value of the investments made with this borrowing facility and therefore risk exposure will be higher.

29.9 Leverage Risk

Leverage is where a Sub-fund borrows money in order to meet redemption requests or, through the use of derivatives, for the purpose of buying or selling assets. Where assets are bought or sold using borrowed money this increases the risk that in the case of losses that these are compounded and as a result have a material negative impact on the value of the Sub-fund.

29.10 New Issue Risk

A Sub-Fund may be invested in initial public offerings, which frequently are smaller companies. Such securities have no trading history and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

29.11 Derivatives and volatility

Derivative instruments may be used in the Sub-Fund(s) as specified in Appendix 1, either for the purposes of Efficient Portfolio Management or for Efficient Portfolio Management and for investment purposes.

The use of derivatives for Efficient Portfolio Management should not lead to an increase in risk to the Sub-Fund(s).

The NAV of Sub-Funds which use derivatives instruments could potentially be more volatile; however, it is the Manager's intention that the Sub-Fund(s), owing to the portfolio composition of the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of the underlying investments.

29.11.1 Particular Risks of Exchange Traded Derivatives Contracts

Although exchange-traded derivatives are generally considered less risky than OTC derivatives, there is still the risk that the securities exchange or commodities contract markets suspend or limit the trading in derivatives or their underlying assets. This increases the risk of losses as it will make it difficult or impossible to effect transactions or liquidate/offset positions.

29.11.2 Particular Risks of OTC Derivative Transactions

Many of the protections afforded to participants on some organised exchanges may not be available in connection with OTC derivative transactions. Therefore, a trust entering into OTC transactions will be subject to the risk that its direct

counterparty will not perform its obligations under the transactions and that such trust will sustain losses. The Trust will only enter into transactions with counterparties which it believes to be creditworthy and may reduce the exposure incurred in connection with such transactions. In addition, as the OTC market may be illiquid, it might not be possible to execute a transaction or liquidate a position at the price it may be valued in the Trust's book of records.

29.11.3 **Futures and Options Risk**

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

29.11.4 **Collateral**

As permitted by the Regulations, the Manager may use collateral to reduce the overall exposure of a Sub-Fund to OTC derivatives. For example, a Sub-Fund may take collateral from counterparties with whom it has an OTC derivative position, and use that collateral to net off against the exposure it has to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits.

Cash received as collateral from OTC derivatives transactions may be re-invested in shares or units issued by qualifying money market funds, placed on deposit or invested in high quality government bonds.

29.11.5 **Total Return Swaps**

A Total Return Swap is a contract whereby one party (e.g. the total return payer) agrees to make a series of payments to another party (e.g. the receiver) based on the change in the market value of the assets underlying such a contract (which can include a security or baskets thereof or an eligible index) during the specified period. In exchange, the other party to the contract agrees to make a series of payments calculated by reference to an interest rate and/or some other agreed-upon amount (including the change in market value of other underlying assets). To the relevant extent, a Sub-Fund may use Total Return Swaps to gain exposure to an asset without owning it or taking physical custody of it. For example, if a Sub-Fund

invests in a Total Return Swap on an underlying security, it will receive the price appreciation of the underlying security in exchange for payment of an agreed-upon fee. A Sub-Fund may use Total Return Swaps to more efficiently express a view in a given position or to gain/reduce exposure in a more cost effective manner. Total Return Swaps are typically used on single reference entities. Additionally, Total Return Swaps can be used to hedge existing long positions or exposures. Accordingly, the underlying strategy and composition of the investment portfolio of Total Return Swaps will be consistent with the investment policy of the Sub-Fund.

To the extent the Sub-Fund may enter into Total Return Swaps or financial derivative instruments with the same characteristics, the Manager has discretion as to the appointment of counterparties when entering into Total Return Swaps in furtherance of the Sub-Fund's investment objective and policy, provided that the appointment of such counterparties comply with paragraph 9.7.1 of Appendix 2. It is not possible to comprehensively list in the Prospectus all the counterparties as they may change from time to time. Any such counterparty so appointed is not expected to assume discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instrument although the Manager reserves the right to permit the granting of such discretion with the agreement of the relevant investment manager.

29.11.6 Particular Risks Related to Different Types of Swap Transactions

The Trust may enter into interest rate, index and currency exchange rate swap agreements for the purposes of attempting to obtain a particular desired return at a lower cost to the Trust than if the Trust had invested directly in an instrument that yielded that desired return. Swap agreements are two party contracts entered into primarily by institutional investors for periods ranging from a few days to more than one year. In a standard "swap" transaction, two parties agree to exchange the returns (or differential in rates of return) earned or realised on particular predetermined investments or instruments. The gross returns to be exchanged or "swapped" between the parties are calculated with respect to a "notional amount", that is, the return on or increase in value of a particular US dollar amount invested at a particular interest rate, in a particular foreign currency, or in a "basket" of securities representing a particular index. The "notional amount" of the swap agreement is only a fictive basis on which to calculate the obligations which the parties to a swap agreement have agreed to exchange.

29.12 Foreign Currency Risk

A Sub-Fund may be invested in securities denominated in a number of different currencies other than the base currency of that Sub-Fund. Changes in foreign currency exchange rates may adversely affect the value of these Sub-Fund's investments and the income thereon.

29.13 Pricing and Valuation Risk

For quoted investments a valuation price can be obtained from an exchange or similarly verifiable source. However, investment in unquoted and/or illiquid investments which are difficult to value may increase the risk of mispricing. Furthermore, the Trust will compute the Net Asset Value of each Sub-Fund when some markets are closed for holidays or other reasons. In these and similar cases a verifiable source of market prices will not be available and the Manager may invoke

its fair value process which will determine a fair value price for the relevant investments; this fair value process involves assumptions and subjectivity.

29.14 **Emerging Countries and Developing Markets Risk**

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

29.15 **Investment Trust Risk**

The share prices of investment trusts and closed-ended funds typically stand at a discount to their net asset value per share. Such discounts may persist for long periods and/or widen. The Net Asset Value of a Sub-Fund, will reflect the current market value of the shares of the investment trusts and closed-ended funds in which that Sub-Fund is invested. The shares of certain investment trusts and closed-ended funds in which a Sub-Fund is invested may be valued in a market at a premium to their own net asset value per share. In such cases the share price of such investment trusts and/or closed-ended funds may eventually decline to a discount of their net asset value per share. Investment trusts and closed-ended funds may borrow or otherwise leverage their exposure to their investments. Investments in such companies will tend to have more volatile results than investment in companies without gearing.

29.16 Risk to Capital

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

In addition, certain expenses may be allocated to capital in accordance with the FCA Regulations and as further detailed in Section 31.2.4 and 31.2.5. Where expenses are allocated to capital this may constrain capital growth.

29.17 Liquidity Risk

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

29.18 Credit and Counterparty Risk

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

The Trust may use one or more separate counterparties to undertake derivative transactions and may be required to pledge collateral, paid from within the assets of the Trust, to secure such contracts. There may be a risk that a counterparty will wholly or partially fail to honour their contractual obligations under the arrangement. A downgrade in the creditworthiness of counterparty can lead to a decline in the value of contracts held with that counterparty. The Manager may assess the creditworthiness of counterparties as part of the risk management process and will ordinarily hold collateral to mitigate this.

29.19 Settlement Risk

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

value of the contract is at risk if the Trust meets its settlement obligations but the counterparty fails before meeting its obligations.

29.20 **Custody Risk**

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

29.20.2 A Sub-Fund may be invested in markets where custodial and/or settlement systems are not fully developed. The Scheme Property that is traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the custodian will have no liability.

29.20.3 The Depositary is liable to the Trust, the Sub-Funds and to the Unitholders for the loss of Scheme Property. In the event of a loss by the Depositary, custodian or sub-custodian, the Depositary must return an asset of an identical type or the corresponding amount of Scheme Property to the Trust or the Manager without undue delay.

29.21 **Tax Risk**

Tax laws currently in place may change in the future which could affect the Net Asset Value of the Sub-Fund(s) and therefore the Unitholder's investments. Refer to the Section headed 'Taxation' in the Prospectus for further details.

29.22 **Inflation Risk**

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

29.23 **Sustainability Risk**

The EU’s Sustainable Finance Disclosure Regulation (SFDR) defines Sustainability Risk as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

Examples of these events include but are not limited to: pollution, breach of labour rights, human rights violations, ethics violations, bribery and corruption.

29.24 **Natural Disasters**

Natural and environmental disasters such as earthquakes, tsunamis, fires, floods, hurricanes, and any other climate related events can have severe effects on economies and markets.

29.25 **Political and/or Environmental Risk**

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

29.26 **Market Risk**

The risk that the entire market will decline in value, thus affecting the prices and the values of the assets. A wide range of factors can have an impact on market risk.

Examples of these factors include but are not limited to: geopolitical events, government policies, wars, terrorism, news and rumours, pandemics, epidemics and public health crises, availability and costs of energy, commodities, and natural resources.

29.27 **Risk Management**

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

29.27.1 the quantitative limits applying in the risk management of the Sub-Fund(s);

29.27.2 the methods used in relation to Section 29.27.1; and

29.27.3 any recent developments of the risk and yields of the main categories of investment in the Sub-Fund(s).

29.28 **Short Positions**

The Trust may enter into short position either directly or through the use of financial derivative instruments. Short positions carry greater risks as they bear the potential of unlimited loss.

29.29 **Commodities**

The Trust may have exposure indirectly to commodities. Commodity markets can be volatile, which can expose investors to the possibility of considerable price fluctuation. Commodities markets trade on futures markets which offer a higher degree of leverage which can lead to a higher degree of risk. Commodities themselves and commodity companies are also exposed to political, economic, foreign currency and exploration risk.

29.30 **Performance risk**

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro-

economic environment, certain investment types and styles may perform better than others and investment objectives may become more difficult to achieve.

30. Liabilities of the Trust

Unitholders are not liable for the debts of the Trust. A Unitholder is not liable to make any further payment to the Trust after paying the purchase price of units.

31. Fees and Expenses

31.1 Annual Management Charge

31.1.1 In payment for carrying out its duties and responsibilities the Manager is entitled to take out of the Scheme Property of each Sub-Fund an annual management charge.

31.1.2 The annual management charge of the Sub-Fund(s) is calculated and accrued daily and is payable monthly in arrears on the last Business Day of each month. The current annual management charges are set out in Appendix 1.

31.1.3 The Manager may not increase the current rate or amount of the annual management charge (or materially increase any other payment out of Scheme Property) in respect of a particular Sub-Fund unless, not less than 60 days before the increase, the Manager gives notice in writing of the increase and the date of its commencement to all Unitholders in that Sub-Fund at their registered address and has revised and made available the Prospectus to reflect the introduction of new rate and the date of its commencement.

31.1.4 The Manager may not introduce a new category of remuneration for its services (or any other new type of payment out of Scheme Property) unless the introduction has been approved by an extraordinary resolution of Unitholders in the affected Sub-Fund(s).

31.1.5 The following charges are currently included within the annual management charge:

(a) the fees of the Manager;

(b) the fees of the Investment Manager;

(c) the fees of the Trustee;

(d) the fees of the Auditor;

(e) custody and safe-keeping charges (excluding custody transaction charges); and

(f) the fees and expenses set out in Section 31.2.1 below.

31.1.6 Notwithstanding Section 31.1.5, where the Manager has given Unitholders not less than 60 days' notice in writing, all fees and charges (as set out above in Section 31.1.5) may be paid directly out of Scheme Property.

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

31.2 Other payments out of Scheme Property

31.2.1 The Trust, or each Sub-Fund as the case may be, is also entitled to pay out of the Scheme Property the following costs, charges, fees and expenses:

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

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

(c) taxation and duties payable in respect of the Scheme Property or the issue or redemption of units including Stamp Duty Reserve Tax.

31.2.2 As set out in Section 31.1.5, certain fees and expenses are currently paid out of the annual management charge which is paid out of Scheme Property. However, where the Manager has given the Unitholders not less than 60 days' notice in writing, the Trust may pay the following expenses out of the Scheme Property:

(a) all reasonable, properly vouched, out of pocket expenses incurred by the Manager, the Investment Manager or the Trustee in the performance of their duties, including stamp duty, stamp duty reserve tax on transactions in units and expenses incurred in effecting regulatory changes to the Trust and the Sub-Fund(s);

(b) fees and expenses in respect of establishing and maintaining the register of Unitholders and any sub-register of Unitholders;

(c) any costs incurred in or about the listing of units in the Sub-Fund(s) on any stock exchange, and the creation, conversion and cancellation of units;

(d) any costs incurred in producing and dispatching any payments made by the Sub-Fund(s), or the yearly and half-yearly reports of the Sub-Fund(s), or the Prospectus;

(e) any fees, expenses or disbursements of any legal or other professional adviser of the Trust, including those incurred on the establishment of the Trust and the Sub-Fund(s);

(f) any fees, expenses or disbursements in relation to the establishment of the Trust, including without limitation FCA fees and the fees of any adviser in relation to the establishment of the Trust and the Sub-Fund(s);

(g) any costs incurred in taking out and maintaining any insurance policy in relation to the Trust and the Sub-Fund(s);

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

(i) liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Sub-Fund(s) in consideration for the issue of units as more fully detailed in the FCA Regulations;

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

(k) the fees of the Trustee (including VAT) and any expenses of the Trustee;

(l) the fees of the FCA, in accordance with the chapter of the FCA Regulations entitled "Fees Manual", together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which units in the Sub-Fund(s) are or may be marketed;

(m) any expense incurred in relation to Trust secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Trust and the Sub-Fund(s) and any expenses incurred in distributing information regarding the prices of units to Unitholders;

(n) any fees or expenses incurred in the modification of the Prospectus and/or Instrument and/or the Key Investor Information Document to the extent permitted by the FCA Rules;

(o) any expenses incurred in the printing and preparation (but not the dissemination) of the Key Investor Information Document;

(p) any fees or expenses incurred in the winding-up of the Trust, including (but not limited to) the performance of any action detailed in Section 36.

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

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

(s) any fees or expenses incurred in obtaining external independent valuations of specific financial instruments for which independent valuations are not readily available, e.g. "over the counter" (**OTC**) derivatives and structured products;

(t) custody transaction charges; and

(u) any payments otherwise due by virtue of the FCA Rules.

31.2.3 Value Added Tax or similar tax relating to any charge or expense may also be payable on these charges.

31.2.4 Fees and expenses which may be paid out of the Scheme Property and which are attributable to a particular Sub-Fund shall be paid solely out of the Scheme Property attributable to that Sub-Fund. Expenses which are not attributable to any particular Sub-Fund shall be allocated between the Sub-Fund(s) on a pro rata basis in accordance with the value of each Sub-Fund.

31.2.5 Expenses for each Sub-Fund are allocated between income and capital in accordance with the FCA Regulations and as specified in Appendix 1. Where expenses are allocated to income but at the end of the accounting period there is insufficient income, the shortfall may be allocated to capital in accordance with the FCA Regulations. This may constrain capital growth.

31.2.6 Save as disclosed in this Prospectus, there are no maximum amounts of fees, charges and expenses borne (directly or indirectly) by Unitholders and such amounts will depend on a number of factors including, but not limited to, portfolio turnover and level of borrowings.

31.2.7 Any third party research received in connection with investment advisory services that an Investment Manager provides to the Sub-funds will be paid for by the Investment Manager out of its fees, as relevant in relation to each Sub-fund, and will not be charged to the Sub-funds.

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

31.3 Trustee's Fees

31.3.1 As set out in Section 31.1.5, the Trustee's fees and expenses (other than custody transaction charges) are currently paid out of the annual management charge which is paid out of Scheme Property. However, where the Manager has given Unitholders not less than 60 days' notice in writing, all of the Trustee's fees and expenses as specified in this Section will be paid directly out of Scheme Property.

31.3.2 The Trustee receives for its own account a periodic fee which will accrue daily from the last Business Day in the preceding month to the last Business Day in each month. The fee is calculated daily by reference to the value of the Sub-Fund(s). The rate of the periodic fee is agreed between the Manager and the Trustee.

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

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

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

Item	**Range**
Custody Transaction Charges (payable out of the annual management charge)	Between £3.00 and £142.00 per transaction (plus VAT, if any)
Custody Safe-keeping Charges (payable out of the annual management charge)	Between 0.0008% and 0.6% of the value of investments being held per annum (plus VAT, if any)

31.3.6 These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable or as agreed from time to time between the Trustee and the Manager. Custody charges accrue and are payable as agreed from time to time by the Manager and the Trustee.

31.3.7 Where relevant, the Trustee may make a charge for providing its services in relation to directly held property, derivatives, bank loans, settlement and associated activities in specific markets and services associated with special events such as mergers and fund conversions. The Trustee may purchase, sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the FCA Regulations.

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

31.3.9 On a winding up of the Trust, a Sub-Fund or the redemption of a class of units, the Trustee will be entitled to its pro rata fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Trust Deed.

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

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

32.4 Ongoing charges figure (OCF)

The Ongoing Charges Figure (OCF) provides investors with a clearer picture of the total annual costs in running a collective investment scheme and is based on the previous year's expenses. The figure may vary from year to year and it excludes the costs of buying or selling assets for the Sub-Fund (but includes the costs of acquiring or disposing of units in any other collective investment schemes). Where there is not enough historic data available, or when historic data will not provide a reliable indication of future costs, an estimated OCF will be calculated based on the most reliable information available (OCF (Estimated)). The OCF is displayed in the Key Investor Information Document (KIID). A copy of the KIID for each Sub-Fund can be provided free of charge on request.

32. Unitholder meetings and Voting Rights

32.1 Class and Sub-Fund Meetings

The provisions below, unless the context otherwise requires, apply to Class meetings as they apply to general meetings of the Sub-Fund by reference to units of the Class concerned and the Unitholders and value and prices of such units.

32.2 Requisitions of Meetings

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

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

32.3 Notice and Quorum

Unitholders will receive at least 14 days' notice of a general meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Unitholders, present in person or by proxy. The quorum for an adjourned meeting is also two Unitholders present in person or by proxy, however if a quorum is not present from a reasonable time from the time appointed for the meeting then one person entitled to be counted in a quorum shall be a quorum. Notices of meetings and adjourned meetings will be sent to Unitholders at their registered addresses.

32.4 **Voting Rights**

32.4.1 At a meeting of Unitholders or a class of Unitholders of the Trust or of a Sub-Fund, on a show of hands every Unitholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote. For joint Unitholders, the vote of the first Unitholder, or the proxy of the first Unitholder, stated in the register of Unitholders will be accepted to the exclusion of the votes of other joint Unitholders.

32.4.2 On a poll vote, a Unitholder may vote either in person or by proxy. The voting rights attaching to each unit are such proportion of the voting rights attached to all the units in issue that the price of the unit bears to the aggregate price(s) of all the units in issue at the date seven Business Days before the notice of meeting is deemed to have been served.

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

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

32.4.5 The Manager may not be counted in the quorum for a meeting and neither the Manager nor any associate (as defined in the FCA Rules) of the Manager is entitled to vote at any meeting of the Trust or a Sub-Fund except in respect of units which the Manager or associate holds on behalf of or jointly with a person who, if the registered Unitholder, would be entitled to vote and from whom the Manager or associate has received voting instructions. Where every Unitholder within the Trust or a Sub-Fund is prohibited under COLL 4.4.8R (4) from voting, a resolution may, with the prior written agreement of the Trustee, instead be passed with the written consent of Unitholders representing 75% of the units of the Trust or relevant Sub-Fund in issue.

32.4.6 **Unitholders** in this context means Unitholders on the date seven Business Days before the notice of the relevant meeting was deemed to have been served but excludes holders who are known to the Manager not to be Unitholders at the time of the meeting.

33. Class Meetings

The above provisions, unless the context otherwise requires, apply to Class meetings as they apply to general meetings of Unitholders. However, an extraordinary resolution will be required to sanction a variation of Class rights where the change is deemed fundamental by the Manager in accordance with COLL 4.3.4 under the FCA Rules.

34. Taxation

The following summary is only intended as a general summary of United Kingdom ("UK") tax law and HM Revenue & Customs practice, as at the date of this Prospectus, applicable to the Sub-fund and to individual and corporate investors who are the absolute beneficial owners of a holding in the Sub-fund which is held as an investment. The summary's applicability to, and the tax treatment of, investors will depend upon the particular circumstances of each investor (and it will not apply to persons, such as certain institutional investors, who are subject to a special tax regime). It should not be treated as legal or tax advice. Accordingly, if investors are in any doubt as to their taxation position, they should consult their professional adviser. Levels and bases of, and reliefs from, taxation are subject to change in the future.

The following is divided into sections relating to "Bond Sub-Fund" and "Equity Sub-Fund". A "Bond Sub-Fund" is a Sub-Fund which invests more than 60% of its market value in "Qualifying Investments" (at all times in each accounting period). The term "Qualifying Investments" includes money placed at interest and securities that are not units, including but not limited to government and corporate debt securities and cash on deposit. The tax issues relating to the Sub-fund and the investors within it are treated separately in this section. It is anticipated that the Sub-fund will for most periods be an Equity Sub-Fund for these purposes, but that depending on how it is invested it may constitute a Bond Sub-Fund for some periods.

Taxation of an Equity Sub-Fund

Taxation of Capital Gains

An Equity Sub-Fund is not subject to UK taxation on capital gains arising on the disposal of its investments. In the unlikely event that the Sub-fund be considered to be trading in securities under tax law, and to the extent an investment is disposed in a non-distributor/reporting fund, any gains made will be treated as taxable income and not exempt gains.

Tax on income

An Equity Sub-Fund will be liable to corporation tax at a rate equal to the lower rate of income tax, currently 20%, on its income after relief for expenses (which include fees payable to the Manager and to the Trustee). Dividends and similar income distributions from UK and non-UK resident companies are generally exempt from corporation tax. Dividends and similar income distributions from UK authorised unit trusts and UK ICVCs are also generally exempt from corporation tax to the extent the underlying income derives from dividends.

Foreign dividends and similar income are generally treated as exempt for the purposes of UK corporation tax. This income may be subject to withholding tax in certain jurisdictions.

Dividend income received from certain countries are likely to be elected to be treated as taxable income in the UK in order to obtain a beneficial rate of withholding tax in the source country.

Profits from loan relationships are treated as taxable income, as for a Bond Sub-Fund.

Taxation of a Bond Sub-Fund

Taxation of Capital Gains

Bonds or loan relationships held are taxable as income (see below) and are not subject to capital gains tax. Capital gains, for example on investment in equities, (except insofar as treated as income gains – see below) accruing to a Bond Sub-Fund will be exempt from UK tax on chargeable gains.

Tax on Income

A Bond Sub-Fund will be liable to UK corporation tax at 20% on income, translated (where appropriate) into Sterling, from investments in debt, debt-related securities and cash deposits less deductible expenses. Such income will be computed according to the generally accepted accounting practice relevant to the Sub-fund.

The total will be taxed under the Loan Relationship rules. Any income received from UK equities will be exempt from UK corporation tax.

A Bond Sub-Fund would generally be entitled to make up distribution accounts in such a way that the income distribution (including accumulations of income, which are deemed to be paid and reinvested as capital) to unitholders is treated as if it were interest for UK tax purposes. If so entitled, the Sub-fund intends that distributions will be made in this way.

The treatment of distributions as interest distributions for UK tax purposes is significant because:

- distributions made should be deductible for corporation tax purposes against UK taxable income.

- The income, less interest distributions, expenses (including the Manager's and Trustee's fees) and any non-UK withholding taxes, is subject to UK corporation tax at a rate equal to the basic rate of income tax (currently 20%). Any corporation tax charge should not be significant.

Capital gains (except insofar as treated as accrued income gains – see above) accruing to a Bond Sub-Fund will be exempt from UK tax on chargeable gains.

Taxation of a Unitholder – Equity Sub-Fund

Income distributions

Accumulations and distributions of income ('distributions') comprise income for UK tax purposes.

UK resident individuals and (the trustees of) certain trusts liable to UK income tax will be taxable on accumulations and distributions of income.

From 6 April 2023, additional rate taxpayers are required to pay tax at 39.35% on their distributions while the rate for higher rate taxpayers is 33.75% and for basic rate taxpayers it is 8.75%. Individuals with a net adjusted income of £100,000 will also have their personal allowances reduced £1 for every £2 on the income above this limit. The personal allowance will be reduced to nil above an income level of approximately £125,000. These limits may change in the future.

Distributions to unitholders within the charge to corporation tax are deemed to comprise two elements:

- where an Equity Sub-Fund's gross income is not wholly derived from UK dividend income, part of any distribution will be deemed to be reclassified as an annual payment received by such unitholders after deduction of income tax at the basic rate, currently 20% ("deemed tax deducted"). Such unitholders will be subject to corporation tax on the grossed-up amount of the annual payments but will be entitled to the repayable deemed tax deducted; and

- the remainder, is exempt from UK corporation tax.

Details of the proportions of distributions comprising exempt income and annual payments will be shown on the tax voucher of the Equity Sub-Fund concerned.

These rules do not apply or are modified in relation to life insurance companies, in particular those with pensions and ISA business, life reinsurance business or overseas life assurance business.

Capital gains

Unitholders who are resident in the UK may be liable to UK taxation on capital gains arising from the sale or other disposal, including redemption, of units. Individuals and certain trusts generally compute their gains by deducting from the net sale proceeds the capital gains base cost in respect of units. The resulting gains will be taxable at the capital gains tax rate, and may be reduced by capital losses brought forward from previous tax years or losses in the year, and by annual exemptions. Exempt unitholders, which include UK charities, UK approved pension trusts, ISAs (and their individual investors), would not normally be liable to capital gains tax on their disposal of units.

Unitholders within the charge to corporation tax are taxed on the capital gain made computed on the basis of the rules described above. They are,

however, entitled to indexation allowance on the basic cost to the date of disposal. In certain cases, the "loan relationships" provisions mentioned below in relation to Bond Sub-Funds could apply.

Special rules apply to life insurance companies who beneficially own units.

Inheritance tax

A gift by a unitholders of his unitholding in the Trust or the death of a unitholders may give rise to a liability to inheritance tax, except where the unitholders is neither domiciled in the UK, nor deemed to be domiciled there under special rules relating to long residence or previous domicile in the UK. For these purposes, a transfer of a unitholder at less than the full market value may be treated as a gift.

Taxation of a Unitholder – Bond Sub-Fund

Income Distributions: Interest Distributions

Accumulations and distributions of income ('distributions') comprise income for UK tax purposes. Unitholders will be taxable on the amount distributed. Additional rate taxpayers will be liable to income tax on their distributions at 45%, higher rate taxpayers at 40% (after their £500 personal savings allowance has been exhausted) and basic rate taxpayers at 20% (after their £1,000 personal savings allowance has been exhausted). There is also a 0% starting rate band for savings income of up to £5,000 for those investors who qualify for it.

Capital gains

Unitholders who are resident in the UK may be liable to UK taxation on capital gains arising from the sale or other disposal, including redemption, of units. Individuals and certain trusts generally compute their gains by deducting from the net sale proceeds the capital gains base cost in respect of units and will be taxable at the capital gains tax. The gain may be reduced by capital losses brought forward from previous tax years or losses in the year, and by annual exemptions. Exempt unitholders, which include UK charities, UK approved pension funds, ISAs (and their individual investors), would not normally be expected to be liable to capital gains tax on their disposal of units.

In respect of unitholders subject to corporation tax, holdings in a Sub-fund will be treated as holdings of loan relationships and recognised using a fair value basis of accounting (which entails movements in the value of the holdings being brought into account in each accounting period as loan relationship credits or debits). No indexation allowance or taper relief is available.

Inheritance tax

A gift by a unitholders of his unitholder in the Trust or the death of a unitholders may give rise to a liability to inheritance tax, except where the unitholders is neither domiciled in the UK, nor deemed to be domiciled there under special rules relating to long residence or previous domicile in the UK.

For these purposes, a transfer of a unitholder at less than the full market value may be treated as a gift.

Stamp Duty Reserve Tax (SDRT)

On 30 March 2014, Schedule 19 Stamp Duty Reserve Tax (SDRT) ceased to be chargeable on dealings in units in authorised unit trusts. As such, the provisions relating to SDRT no longer apply. However, investors should note that should SDRT or a similar tax relating to dealings on units in authorised unit trusts be reintroduced in the future, all such costs will be paid out of the Trust's Scheme Property and charged to capital.

However it should be noted that in the unlikely event of either of the below occurring within the Fund SDRT may still be triggered and where applicable be charged to the investor:

(i) third party transfer of units; or

(ii) non-pro rata in specie redemptions

Automatic Exchange of Financial Account Information

US Foreign Account Tax Compliance Act (FATCA)

The US Foreign Account Tax Compliance Act (**FATCA**) is designed to help the Internal Revenue Service (the **IRS**) combat US tax evasion. It requires financial institutions, such as the Trust (or the Sub-Fund(s)), to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with these requirements will subject the Trust (or a Sub-Fund) to US withholding taxes on certain US-sourced income and gains. Under an intergovernmental agreement between the US and the United Kingdom, the Trust (or each Sub-Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US taxpayer information directly to HMRC.

Unitholders may be asked to provide additional information to the Manager to enable the Trust (or each Sub-Fund) to satisfy these obligations. Institutional Unitholders may be required to provide a Global Intermediary Identification Number (**GIIN**). Failure to provide requested information may subject a Unitholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's interest in its units. The Global Intermediary Identification Number for each Sub-Fund is available on request.

Common Reporting Standard

The Common Reporting Standard **(CRS)** is the reporting standard approved and developed by the Organisation of Economic Co-operation and Development (OECD) in 2014, and came into force with effect from 1st January 2016. This requires financial institutions such as the Trust (or the Sub-Fund(s)), to report non-UK

resident investors, other than US Persons, to other agreed jurisdictions on an annual basis. The objective of this reporting is the same as the FATCA regulations but on a worldwide basis and is based on **Residency** rather than citizenship as with the US model, and will encompass natural persons and legal entities.

35. Income equalisation

35.1 Income equalisation, as explained below, may apply in relation to the Sub-Fund(s), as detailed in Appendix 1.

35.2 Part of the purchase price of a unit reflects the relevant unit of accrued income received or to be received by the Sub-Fund(s). This capital sum is returned to a Unitholder with the first allocation of income in respect of a unit issued during an accounting period.

35.3 The amount of income equalisation is either:

35.3.1 the actual amount of income included in the issue price of that unit; or

35.3.2 is calculated by dividing the aggregate of the amounts of income included in the price of units issued or sold to Unitholders in an annual or interim accounting period by the number of those units and applying the resultant average to each of the units in question.

35.4 The Manager currently uses the method outlined in Section 35.3.2 to apply income equalisation.

36. Winding Up of the Trust

36.1 The Trust will not be wound up, nor a Sub-Fund terminated, except in accordance with section 251 or section 256 (as applicable) of the Financial Services and Markets Act and the Regulations.

36.2 The Trust shall be wound up (or a Sub-Fund terminated, where applicable) upon the occurrence of any of the events specified in COLL7.4.3R(2). These include:

36.2.1 the order declaring the Trust to be an authorised unit trust scheme being revoked;

36.2.2 alterations to the Trust Deed and this Prospectus (that will be required if the sub-fund is terminated) taking effect in accordance with section 251 of the Financial Services and Markets Act;

36.2.3 the passing of an extraordinary resolution winding up the Trust or terminating a Sub-Fund, (provided the FCA's prior consent to the resolution has been obtained by the Manager or Trustee);

36.2.4 where, in response to a request to the FCA by the Manager or the Trustee for the revocation of the authorisation order, the FCA has agreed (subject to there being no material change in any relevant factor) that, on the conclusion of the winding-up of the Trust, the FCA will agree to that request;

36.2.5 the expiration of any period specified in the Trust Deed as the period at the end of which the Trust is to be wound up or a Sub-Fund is to terminate; or

36.2.6 the effective date of a duly approved scheme of arrangement, which is to result in the Trust or a Sub-Fund that is subject to the scheme of arrangement being left with no property.

36.3 If any of the events set out above occur the rules in the FCA Regulations concerning Dealing (COLL 6.2), Valuation and Pricing (COLL 6.3) and Investment and Borrowing Powers (COLL 5), will cease to apply. The Trustee shall cease to issue and cancel units and the Manager will stop redeeming and selling units.

36.4 In the case of a scheme of arrangement referred to in Section 36.2.6 above, the Trustee shall wind up the Trust in accordance with the approved scheme of arrangement.

36.5 In any other case, the Trustee shall, as soon as practicable after the relevant Trust falls to be wound up, realise the assets of the Trust and, after paying, or retaining adequate provision for, all liabilities properly payable and retaining provision for the costs of the winding up, distribute the proceeds to the Unitholders and the Manager proportionately to their respective interest in the Trust.

36.6 Any unclaimed net proceeds or other cash (including unclaimed distribution payments) held by the Trustee after 12 months from the date the proceeds became payable, shall be paid by the Trustee into Court, although the Trustee will have the right to retain any expenses incurred in making that payment.

36.7 On completion of the winding up, the Trustee shall notify the FCA in writing of that fact and the Trustee or the Manager shall request the FCA to revoke the order of authorisation.

37. General Information

37.1 Accounting Periods

The annual accounting period of the Trust ends each year on 7 March (the accounting reference date) with an interim accounting period ending on 7 September.

37.2 Income Allocations

37.2.1 Allocations of income are made on a monthly basis in respect of the income available for allocation in each accounting period.

37.2.2 Distributions of income in respect of Income Units of the Sub-Fund(s) are paid by BACS, in accordance with Section 37.2.4 on a monthly basis, on or before the 4th day of each month (in the month following the accounting reference date) as set out in Appendix 1.

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

37.2.4 The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of a Sub-Fund in respect of that period, and deducting the charges and expenses of that Sub-Fund paid or payable out of income in respect of that accounting period. The Manager then makes such other adjustments as it considers appropriate (and after consulting the Trustee as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, transfers between the income and capital account and any other adjustments which the Manager considers appropriate after consulting the auditors.

37.2.5 If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Sub-Fund(s).

37.2.6 Income will be distributed as a dividend payment where a Sub-Fund is deemed to be an Equity Fund or as an interest payment where a Sub-Fund is deemed to be a Bond Fund over the relevant accounting period. (please see Section 34 (*Taxation*) for further details. The treatment of income anticipated by the Manager is given in Appendix 1, although Unitholders are advised the treatment of income will depend on the composition of assets over the accounting period. Income can only be distributed as an interest payment if the relevant Sub-Fund has held the minimum Qualifying Investments over the accounting period Details of the treatment of income for taxation purposes over an accounting period will be given in a tax voucher sent to all Unitholders when the income is allocated.

37.2.7 The Manager may, in relation to any Sub-Fund, operate a policy of smoothing income distributions over an annual accounting period of such Sub-Fund, provided that that income available for distribution or allocation in respect of each annual accounting period will be paid to Unitholders in accordance with the FCA Rules. Specifically, it is the intention of the Manager to smooth the monthly distributions and to distribute or allocate the balance of the income available as the final payment in respect of that annual accounting period.

37.3 **Annual and half yearly reports**

37.3.1 An Annual report of the Trust will be published within four months of each annual accounting period and a half-yearly report will be published within two months of the end of each half-year accounting period. Long reports will be available upon request.

37.4 **Documents of the Trust**

37.4.1 The following documents may be inspected free of charge between 9.00 am and 5.00 pm every Business Day at the offices of the Manager at Newburn House, Gateway West, Newburn Riverside, Newcastle Upon Tyne, NE15 8NX :

(a) the most recent annual and half-yearly long report of the Trust and the Sub-Fund(s); and

(b) the Prospectus;

(c) the Trust Deed (and any amending supplemental trust deeds).

37.4.2 Upon request, Unitholders may also obtain information supplementary to the Prospectus relating to:

(a) the quantitative limits applying to the risk management of the Trust;

(b) the methods used in relation to (a); and

(c) any recent development of the risk and yields of the main categories of investment.

37.4.3 The Manager may make a charge at its discretion for copies of the Trust Deed; however, the reports and the Prospectus are available free of charge.

37.5 **Notices**

37.5.1 Notices and documents will be sent by post to a Unitholder's registered address.

37.5.2 Notwithstanding the above, where units are jointly held by two or more persons, in accordance with the FCA Regulations certain documents may be sent by post only to the first named holder at his or her registered address.

37.6 **Complaints**

37.6.1 Complaints concerning the operation or marketing of the Trust or any Sub-Fund(s) should be referred to the complaints officer of the Manager at Newburn House, Gateway West, Newburn Riverside, Newcastle Upon Tyne, NE15 8NX, in the first instance. If the complaint is not dealt with satisfactorily then it can be made direct to The Financial Ombudsman Service at Exchange Tower, London E14 9SR or by email to complaint.info@financial-ombudsman.org.uk.

37.6.2 A copy of the Manager's complaints handling procedure is available on request.

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

37.6.4 Further information regarding any compensation scheme or any other investor-compensation scheme of which the Manager or any Sub-fund is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

37.6.5 A copy of the Manager's complaints handling procedure is available on request.

37.7 **Compensation**

Under the Financial Services Compensation Scheme (FSCS), in the event of firm default your investment is protected up to the value of £85,000 per person per firm.

37.8 **Telephone Recordings**

Please note that the Manager may record telephone calls for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where the Manager can identify the call. If you ask the Manager to send you a recording of a particular call, the Manager may ask for further information to help identify the exact call to which your request relates.

37.9 **Best Execution**

The Manager must act in the best interests of each Sub-fund when executing decisions to deal on behalf of the relevant Sub-fund. The Manager's order execution policy sets out the (i) systems and controls that have been put in place and (ii) the factors which the Manager expects the Investment Manager to consider when effecting transactions and placing orders in relation to the Sub-funds. This policy has been developed in accordance with the Manager's obligations under the Regulations to obtain the best possible result for the Trust.

Details of the order execution policy are available from the Manager on request. If you have any questions regarding the policy please contact the Manager or your professional adviser.

37.10 **Inducements and Soft Commission**

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Sub-funds, an Investment Manager or the Manager (as relevant) will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

The Investment Manager or Manager will return to each relevant Sub-fund as soon as reasonably possible after receipt of any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that Sub-fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Investment Manager or Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the Sub-fund; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of each Sub-fund.

38. Benchmark Regulation

38.2 The Benchmark Regulation applies in respect of those Sub-Funds which track a benchmark index, are managed by reference to a benchmark index, or use a benchmark index to compute a performance fee.

38.3 The Benchmark Regulation requires the Manager to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark materially changes or ceases to be provided. The Manager will, where relevant, comply with this obligation. Actions taken by a Sub-Fund pursuant to this plan may result in changes to the investment policy of a Sub-Fund, which may have an adverse impact on the value of an investment in a Sub-Fund.

The Manager is also required under the Benchmark Regulation to use only benchmarks if the benchmarks are included on the relevant FCA register (known as the "FCA Benchmarks Register") or are provided by benchmark administrators that are present in the relevant FCA register maintained by the FCA. The Manager shall comply with this obligation.

Appendix 1

Investment objective, policy and other details of the Sub-Fund(s)

Investment of the assets of the Sub-Fund(s) must comply with the FCA Regulations and its/their own investment objective and policy. Details of the Sub-Fund(s)'s investment objectives and policies are set out overleaf together with other information including available unit Classes, charges, minimum investment levels and distribution dates. A detailed statement of the investment and borrowing restrictions applicable to the Trust and its Sub-Fund(s) is contained in Appendix 2. Lists of the eligible securities and derivatives markets on which the Trust and its Sub-Fund(s) may invest are contained in Appendix 4 and Appendix 5.

Changes to the investment objective and policy of a Sub-Fund will normally require approval by Unitholders at an Extraordinary General Meeting of that Sub-Fund if the change alters the nature or risk profile of the Sub-Fund, or on giving 60 days' notice to Unitholders where these do not alter the nature or risk profile of the Sub-Fund. In exceptional circumstances, changes may be made to the investment objective and policy of a Sub-Fund with no minimum period of notice where these are for clarification purposes only. In all cases, changes may only be made to the investment objective and policy of a Sub-Fund following notification to the FCA pursuant to the Act and confirmation from the FCA that these changes will not affect the ongoing authorisation of the Trust or that Sub-Fund.

True Potential Threadneedle Monthly Income

1. Name of Sub-Fund

True Potential Threadneedle Monthly Income

2. Investment Objective and Policy

The investment objective is to achieve regular income growth with prospects of capital growth. Income will be paid monthly where the level of income within the Sub-Fund allows.

The assets of the Sub-Fund are primarily invested in UK equities with the balance mainly in Sterling denominated fixed interest securities with some limited exposure to non-Sterling bonds. The Manager may invest in derivatives for Efficient Portfolio Management purposes in order to effectively manage exposures to currencies and underlying equity positions in the portfolio.

Derivatives and forward transactions may only be used for Efficient Portfolio Management. The Sub-Fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to unitholders. The use of derivatives for investment purposes may alter the risk profile of the Sub-Fund.

Please be aware that there is no guarantee that capital will be preserved.

Sub-investment manager	Threadneedle Asset Management Limited
Benchmark	The Sub-Fund's performance can be assessed by comparison to the Morningstar UK Moderately Adventurous Target Allocation Index (as a comparator benchmark). The benchmark may be used as a guide to compare and assess the performance of the Sub-Fund. Our aim is to help you monitor how your investment is performing. The Manager believes this is an appropriate comparator benchmark, given the multi-asset nature and relative risk profile of the Sub-Fund. The Sub-Fund does not use the benchmark as a target, nor is the Sub-Fund constrained by it. The mix of assets in the Sub-Fund may vary from those of the benchmark (and its constituents). Accordingly, it should be used for reference purposes only.
Risk Rating	This Sub-Fund is part of a range of funds which are differentiated by and managed according to their risk profiles which range from Defensive, Cautious, Balanced, Growth to Aggressive. The risk profiles are based on volatility bands defined by the Managers

	which reflect the Managers forward-looking expectations for the volatility of each asset class held within a Sub-Fund. The risk profile assigned to a Sub-Fund determines the approach taken by the Investment Manager and Sub-Investment Manager to the selection of investments and the proportions in which they are held. This differs from the Synthetic Risk and Reward Indicator (SRRI) included in the KIID for a Sub-Fund, which is scored on a scale of 1 to 7 and is calculated using the Sub-Fund's historical price volatility over the last five years. This Sub-Fund aims to take a growth approach, which is the second highest risk profile offered by the Manager. The Sub-Fund aims to have exposure to fewer 'lower risk' assets (such as certain fixed income securities) and more 'higher risk' assets (such as certain equities) than funds in the range with a lower risk profile.
Classes of units	A Income Units A Accumulation Units B Income Units* B Accumulation Units*
Currency of denomination	Pounds Sterling
Minimum initial investment	£1 for A Income Units £1 for A Accumulation Units £100,000 for B Income Units* £100,000 for B Accumulation Units*
Minimum subsequent investment	£1 for A Income Units £1 for A Accumulation Units £100,000 for B Income Units* £100,000 for B Accumulation Units*
Minimum withdrawal	None
Minimum holding	£1 for A Income Units £1 for A Accumulation Units £100,000 for B Income Units* £100,000 for B Accumulation Units*

FCA Product Reference Number	724342
Manager's preliminary charge	0% **
Redemption charge	None**
Charge for investment research	None
Current annual management charge for A Unit Class	0.72% per annum of funds under management
Maximum annual management charge for B Unit Class	2.00% per annum of funds under management
Estimated rates of dilution adjustment	0.52% on sales (creations) and 0.13% on redemptions (liquidations)
Additional holding requirements for A Units	Class A Units are only available to current clients of the True Potential Investments Wealth Platform. All other investors in the Sub-Fund must hold Class B Units. Any investor in the Sub-Fund who ceases to be a client of the True Potential Investments Wealth Platform will cease to be eligible to hold Class A Units in the Sub-Fund.
Additional holding requirements for B Units	None
Annual accounting date	7 March
Interim accounting date	7 September
Annual income allocation date	7 April
Income allocation date	4th day of each month, in the month following the accounting date.
Invest in any Securities Market in the United Kingdom or of a Member State of the EU or states within the EEA on which securities are admitted to Official Listing	Yes
Invest in Eligible Markets	As listed in Appendix 4 and Appendix 5
Income Equalisation	Yes, averaged
Charges and expenses taken from Income or Capital	All charges and expenses are taken from capital. This may constrain capital growth.

*Unit class not currently available for investment.

**Minimum initial and subsequent investment amounts, minimum holding requirements and the preliminary and redemption charges may be waived by the Manager at its discretion.

3. Investor profile

The Sub-Fund is marketable to all investor types who want to seek regular income and capital growth over the medium to long term (5 years or longer) and is designed for investors with all levels of knowledge and experience. The Sub-Fund is not appropriate for investors requiring a capital guarantee and investors should be aware that their capital will be at risk and must be able to bear the losses up to their full investment.

Investors are expected to make informed investment decisions on these products based on the information outlined in this prospectus, and the appropriate Key Investor Information Document (KIID). Investors should have a risk appetite consistent with the risk indicator displayed in the KIID.

Further information regarding the risk profiles of the Sub-Fund is contained in the table above under "Risk Rating". Attention should also be drawn to the risk factors contained in the "Risk Factors" section of this Prospectus.

If you are unsure as to whether investment in this Sub-Fund is suitable for you, please contact a financial adviser.

Appendix 2 Investment and borrowing powers

1. **Investment and borrowing powers of the Trust and the Sub-Fund(s)**

These restrictions apply to the Trust and its Sub-Fund(s). In this 0 **Scheme Property** means the property of each Sub-Fund.

Investment restrictions

The Scheme Property will be invested with the aim of achieving the investment objective of the Sub-Fund(s) but subject to the limits on investment set out in the Regulations and the Sub-Fund(s) investment policies.

Generally the Sub-Fund(s) will invest in the investments to which it is dedicated including approved securities which are transferable securities admitted to or dealt on a regulated market or in a market in the United Kingdom or an EEA State which is regulated, operates regularly and is open to the public, units in collective investment schemes, warrants, derivatives and forward transactions, money market instruments and deposits.

Except where the investment policy of a Sub-Fund permits otherwise, derivatives and forward transactions will only be used by the Sub-Fund(s) for Efficient Portfolio Management purposes.

The investment objective and policy of the Sub-Fund(s) are subject to the limits on investment under chapter 5 of the FCA Regulations applicable to UCITS schemes, which are summarised below. The Manager must ensure that, taking account of the investment objective and the investment policy of the Sub-Fund(s), the Sub-Fund's investments provide a prudent spread of risk.

2. Transferable securities and money market instruments

2.1 Types of transferable security

2.1.1 A transferable security is an investment which is a unit, a debenture, an alternative debenture, a government and public security, a warrant, or a certificate representing certain securities (as such terms are defined in the FCA Regulations).

2.1.2 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.

2.1.3 In applying paragraph 2.1.2 to an investment which is issued by a body corporate, and which is a unit or a debenture (as such terms are defined in the FCA Regulations), the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

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

2.2 Criteria for investment in transferable securities

2.2.1 The Sub-Fund(s) may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

(a) the potential loss which that Sub-Fund may incur with respect to holding the transferable security is limited to the amount paid for it;

(b) its liquidity does not compromise the Manager's ability to comply with its obligations to redeem units at the request of any qualifying Unitholder;

(c) reliable valuation is available for it as follows:

(i) in the case of a transferable security admitted to or dealt in on an eligible market (see further paragraph 2.11 below for an explanation of 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;

(ii) 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;

(d) appropriate information is available for it as follows:

(i) 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;

(ii) in the case of a transferable security not admitted to or dealt in on an eligible market where there is regular and accurate information available to the Manager on the transferable security or, where relevant, on the portfolio of the transferable security;

(e) it is negotiable; and

(f) its risks are adequately captured by the risk management process of the Manager.

2.2.2 Unless there is information available to the Manager that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

(a) not to compromise the ability of the Manager to comply with its obligations to redeem units at the request of any qualifying Unitholder; and

(b) to be negotiable.

2.3 Closed-ended funds constituting transferable securities

A unit in a closed-ended fund shall be taken to be a transferable security for the purposes of investment by the Sub-Fund, provided it fulfils the criteria for transferable securities set out in paragraph 2.2 above and either:

2.3.1 where the closed-ended fund is constituted as an investment company or a unit trust:

(a) it is subject to corporate governance mechanisms applied to companies; and

(b) 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

2.3.2 where the closed-ended fund is constituted under the law of contract:

(a) it is subject to corporate governance mechanisms equivalent to those applied to companies; and

(b) it is managed by a person who is subject to national regulation for the purpose of investor protection.

2.4 Transferable securities linked to other assets

2.4.1 The Sub-Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Sub-Fund provided the investment:

(a) fulfils the criteria for transferable securities set out in paragraph 2.2 above; and

(b) is backed by or linked to the performance of other assets which may differ from those in which the Sub-Fund can invest.

2.4.2 Where an investment in paragraph 2.4.1 contains an embedded derivative component, the requirements of this Appendix and the FCA Regulations with respect to derivatives and forwards will apply to that component.

2.5 Approved money market instruments

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.

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

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

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

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

2.6.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in paragraphs 2.6.1 or 2.6.2 or is subject to yield adjustments as set out in paragraph 2.6.3.

2.7 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 Manager to redeem units at the request of any qualifying Unitholder.

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

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

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

2.9 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 Manager that would lead to a different determination.

2.10 Transferable securities and money market instruments generally to be admitted to or dealt in on an eligible market

2.10.1 Transferable securities and money market instruments held within the Sub-Fund(s) must be:

(a) admitted to or dealt in on an eligible market as described in paragraph 2.11.2(a); or

(b) dealt in on an eligible market within paragraph 2.11.2(b); or

(c) admitted to or dealt in on an eligible market as described in paragraph 2.11.3; or

(d) for an approved money market instrument not admitted to or dealt in on an eligible market, within paragraph 2.12.1; or

(e) recently issued transferable securities provided that:

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

(ii) such admission is secured within a year of issue.

2.10.2 The Sub-Fund(s) may invest up to 10% of its Scheme Property in investments in transferable securities or money market instruments other than those referred to in paragraph 2.10.1 above.

2.10.3 However, the ability to hold up to 10% of Scheme Property investments in ineligible assets under paragraph 2.10.2 above is subject to the following limitations:

(a) for a qualifying money market fund (as defined in the FCA Regulations), the 10% restriction is limited to high quality money market instruments with a maturity or residual maturity of not more than 397 days or regular yield adjustments consistent with such a maturity, and with a weighted average maturity of no more than 60 days;

(b) for a short term money market fund or a money market fund (as such terms are defined in the FCA Regulations), the 10% restriction is limited to high quality approved money market instruments as determined under the FCA Regulations at COLL 5.9.6R.

2.11 Eligible markets regime

2.11.1 To protect investors the markets in which investments of the Sub-Fund(s) 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. Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in paragraph 2.10.2 above on investment in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

2.11.2 A market is eligible for the purposes of the FCA Rules if it is:

(a) a regulated market (as defined in the FCA Rules); or

(b) a market in the United Kingdom or an EEA state which is regulated, operates regularly and is open to the public.

(c) any market within paragraph 2.11.3.

2.11.3 A market not falling within paragraph 2.11.2 is eligible for the purposes of the FCA Rules if:

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

(b) the market is included in a list in the Prospectus; and

(c) the Trustee has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market; and all reasonable steps have been taken by the Manager in deciding whether that market is eligible.

2.11.4 In paragraph 2.11.3(a) a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation 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 to the order of investors.

2.11.5 The eligible securities and derivatives markets for the Sub-Fund(s) are set out in Appendix 4 and Appendix 5. New eligible securities markets may be added to the existing list in accordance with the FCA Regulations governing approvals and notifications.

2.12 Money market instruments with a regulated issuer

2.12.1 In addition to instruments admitted to or dealt in on an eligible market, the Sub-Fund(s) may invest in an approved money-market instrument provided it fulfils the following requirements:

(a) the issue or the issuer is regulated for the purposes of protecting investors and savings; and

(b) the instrument is issued or guaranteed in accordance with paragraph 2.13.

2.12.2 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 purposes of protecting investors and savings if:

(a) the instrument is an approved money market instrument;

(b) appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit rates risks related to investments in it) in accordance with paragraph 2.14 below; and

(c) the instrument is freely transferable.

2.13 Issuers and guarantors of money market instruments

2.13.1 The Sub-Fund(s) may invest in an approved money market instrument if it is:

(a) issued or guaranteed by any one of the following:

(i) 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;

(ii) a regional or local authority of the United Kingdom or an EEA state;

(iii) the Bank of England, the European Central Bank or a central bank of an EEA state;

(iv) the EU or the European Investment Bank;

(v) a non-EEA state, or in the case of a federal state one of the members making up the federation; or

(vi) a public international body to which the United Kingdom or one or more EEA states belong;

(b) issued by a body, any securities of which are dealt in on an eligible market; or

(c) issued or guaranteed by an establishment which is:

(i) subject to prudential supervision in accordance with criteria defined by UK or EU law; or

(ii) an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK law.

2.13.2 An establishment shall be considered to satisfy the requirement in paragraph 2.13.1(c)(ii) if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

(a) it is located in the United Kingdom or EEA;

(b) it is located in an OECD country belonging to the Group of Ten;

(c) it has at least one investment grade rating;

(d) 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 UK or EU law.

2.14 Appropriate information for money market instruments

2.14.1 In the case of an approved money market instrument within paragraph 2.13.1(b) or issued by a body referred to in the FCA Regulations at COLL 5.2.10EG; or which is issued by an authority within paragraph 2.13.1(a)(ii) or a public international body within paragraph 2.13.1(a)(iv), but is not guaranteed by a central authority within paragraph 2.13.1(a)(i), the following information must be available:

(a) 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;

(b) updates of that information on a regular basis and whenever a significant event occurs; and

(c) available and reliable statistics on the issue or the issuance programme.

2.14.2 In the case of an approved money market instrument issued or guaranteed by an establishment within paragraph 2.13.1(c) the following information must be available:

(a) 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;

(b) updates of that information on a regular basis and whenever a significant event occurs; and

(c) 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.

2.14.3 In the case of an approved money market instrument within paragraphs 2.13.1(a)(i), (iv) or (v) or which is issued by an authority within paragraph 2.13.1(a)(ii) or a public international body within paragraph 2.13.1(a)(vi) and is guaranteed by a central authority within paragraph 2.13.1(a)(i) 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.

3. Spread limits

3.1 This Section does not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.2.12R (Spread: government and public securities) applies. Please see paragraph 4 below. For the purpose of this Section a "single body" bears the meaning as set out in the FCA Regulations.

3.2 Not more than 20% in value of the Scheme Property can consist of deposits with a single body.

3.3 Not more than 5% in value of the Scheme Property can consist of transferable securities or approved money market instruments issued by any single body. This limit 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 purpose of applying the limit of 40%.

3.4 This limit is raised to 25% in respect of covered bonds, provided that where more than 5% of the Scheme Property is invested in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% of the value of the Scheme Property.

3.5 In applying the higher limits mentioned in this paragraph 3.4 certificates representing certain securities are to be treated as equivalent to the underlying security.

3.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property (which is raised to 10% when the counterparty is an Approved Bank).

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

3.8 Not more than 20% in value of the Scheme Property can consist of the units of any one collective investment scheme.

3.9 In applying the limits in paragraphs 3.2, 3.3, 3.5 and 3.6 in relation to a single body, and subject to paragraph 3.4, not more than 20% in value of the Scheme Property can consist of any combination of two or more of the following:

3.9.1 transferable securities (including covered bonds) or approved money market instruments issued by that body; or

3.9.2 deposits made with that body; or

3.9.3 exposures from OTC derivatives transactions made with that body;

3.10 The Manager must ensure that counterparty risk arising from an OTC derivative transaction is subject to the limits set out in paragraphs 3.6 and 3.9.

3.11 When calculating the exposure of a Sub-Fund to a counterparty in accordance with the limits in paragraph 3.6, the Manager must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

3.12 The Manager may net the OTC derivative positions of a UCITS scheme with the same counterparty, provided:

3.12.1 it is able legally to enforce netting agreements with the counterparty on behalf of the Sub-Fund; and

3.12.2 the netting agreements in paragraph 3.12.1 do not apply to any other exposures the Sub-Fund may have with that same counterparty.

3.13 The Manager may reduce the exposure of the Sub-Fund's investments to a counterparty to an OTC derivative transaction through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

3.14 The Manager must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 3.16 when it passes collateral to the counterparty to an OTC derivative transaction on behalf of the Sub-Fund.

3.15 Collateral passed in accordance with paragraph 3.14 may be taken into account on a net basis only if the Manager is able legally to enforce netting arrangements with this counterparty on behalf of the Sub-Fund.

3.16 The Manager must calculate the issuer concentration limits referred to paragraph 3.6 on the basis of the underlying exposure created through the use of OTC derivatives in accordance with the commitment approach.

3.17 In relation to exposures arising from OTC derivative transactions, as referred to in paragraph 3.9, the Manager must include in the calculation any counterparty risk relating to the OTC derivative transactions.

4. Government and Public Securities

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

(a) the United Kingdom or an EEA State;

(b) a local authority of the United Kingdom or an EEA State;

(c) a non-EEA State; or;

(d) a public international body to which the United Kingdom or one or more EEA States belong.

4.2 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 in any one issue.

4.3 More than 35% of the Scheme Property may be invested in such securities issued by or on behalf of or guaranteed by a single named issuer which may be one of the following: the governments of the United Kingdom and of a member state of the European Union or EEA (i.e. 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, Sweden); or by or on behalf of the governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.

4.4 The Manager has consulted with the Trustee and considers that the issuers named in paragraph 4.3 above are ones which are appropriate in accordance with the investment objectives of the Sub-Fund(s) set out in Appendix 1. If more than 35% in value of the Scheme Property is invested in government and public securities issued by any one issuer, no more than 30% in value of the Scheme Property may consist of such securities of any one issue and the Scheme Property must include at least six different issues whether of that issuer or another issuer, and the disclosures in COLL 3.2.6R(8) and COLL 4.2.5R(3)(i) have been made.

4.5 Notwithstanding paragraph 3.1, and subject to paragraph 3.2 in applying the 20% limit in paragraph 3.9 with respect to a single body, such securities issued by that body shall be taken into account.

5. Collective Investment Schemes

5.1 Except where the investment policy of the Sub-Fund(s) is inconsistent with this, up to 100% in value of Scheme Property may be invested in units or shares in other collective investment schemes (hereafter a **second scheme**) although not more than 20% in value of the Scheme Property is to consist of the units or shares of any one second scheme.

5.2 Investment may be made in a second scheme managed by the Manager or an associate of the Manager, including in another Sub-Fund (hereafter a **second Sub-Fund**).

5.3 No more than 30% of the Scheme Property may be invested in second schemes under paragraphs 5.4.2 to 5.4.5. Investment may only be made in second schemes whose maximum annual management charge does not exceed 5%.

5.4 Any second scheme must either:

5.4.1 be a UCITS scheme or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive (Directive 2009/65/EC); or

5.4.2 be a recognised scheme under the provisions of paragraph 272 of the Act that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided it complies with the requirements of Article 50(1)(e) of the UCITS Directive); or

5.4.3 be authorised as a non-UCITS retail scheme provided it complies with the requirements of Article 50(1)(e) of the UCITS Directive; or

5.4.4 the scheme is authorised in another EEA state provided it complies with the requirements of Article 50(1)(e) of the UCITS Directive; or

5.4.5 the scheme is authorised by the competent authority of an OECD member country (other than the United Kingdom or another EEA state) which has: or

(a) signed the IOSCO Multilateral Memorandum of Understanding; and

(b) approved the scheme's management company, rules and depositary/custody arrangements,

provided the requirements of Article 50(1)(e) of the UCITS Directive are met;

and the second scheme must satisfy all of the following conditions:

5.4.6 it complies with certain restrictions set out in the FCA Regulations including restrictions designated to avoid double charging as set out at COLL 5.2.15R and 5.2.16R; and

5.4.7 it is a scheme which has terms which prohibit more than 10% in value of the scheme property consisting of units or units in collective investment schemes; and

5.4.8 where the second scheme is an umbrella the provisions of paragraphs 5.4.6 and 5.4.7 and 3 apply to each sub fund as if it were a separate scheme.

5.5 Subject to the limits specified in paragraph 5.1, investment may be made in eligible second schemes, which are managed or operated by the Manager (or one of its associates) or a second Sub-Fund. However, where such an investment or disposal of units or shares is made and there is a charge in respect of such investment or disposal, the Manager must pay the relevant Sub-Fund the amount referred to in either paragraph 5.6 or paragraph 5.7 within four business days following the date of the agreement to invest or dispose.

5.6 When an investment is made, the amount referred to in paragraph 5.5 is either:

5.6.1 any amount by which the consideration paid by Sub-Fund for the units or shares in the second scheme or second Sub-Fund exceeds the price that

would have been paid for the benefit of the second scheme or second Sub-Fund had the units or shares been newly issued or sold by it; or

5.6.2 if such price cannot be ascertained by the Manager, the maximum amount of any charge permitted to be made by the seller of units or shares in the second scheme or second Sub-Fund.

5.7 When a disposal is made, the amount referred to in paragraph 5.5 is any charge made for the account of the authorised fund manager or operator of the second scheme (or, in relation to a second Sub-Fund, the Manager) or an associate of any of them in respect of the disposal.

5.8 A Sub-Fund may invest in or dispose of the shares in a second Sub-Fund only if the conditions in COLL 5.2.30R(2) are satisfied.

6. Warrants and nil and partly paid securities

6.1 Warrants may only be held if it is reasonably foreseeable there will be no change to the Scheme Property between the acquisition of the warrant and its exercise and the rights conferred by the proposed warrant and all other warrants forming part of the Scheme Property at the time of the acquisition of the proposed warrant will be exercised and that the exercise of the rights conferred by the warrants will not contravene the FCA Regulations.

6.2 Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Sub-Fund at any time when the payment is required without contravening the FCA Regulations.

6.3 A warrant may not be included in the Scheme Property unless it is listed on an eligible securities market.

7. Deposits

Up to 20% in value of the Sub-Fund can consist of deposits with a single body. A Sub-Fund may only invest in deposits with an Approved Bank and which are repayable on demand, or have the right to be withdrawn, and matures in no more than 12 months.

8. Derivatives: General

8.1 Except where the investment policy of a Sub-Fund permits otherwise, derivatives may be used by the Sub-Fund(s) for Efficient Portfolio Management purposes only. The NAV of the Sub-Fund(s), which are permitted to use derivatives for investment purposes, could potentially be more volatile; however, it is the Investment Manager's intention that the Sub-Fund(s), owing to their portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments.

8.2 The use of derivatives for Efficient Portfolio Management is not intended to increase the risk profile of the Sub-Fund(s). However to the extent that derivatives are used for investment purposes, the overall risk of loss to the Sub-Fund(s) may be increased. Please also see "Risk Factors" above.

8.3 The Sub-Fund(s) may make use of a variety of derivative instruments in accordance with the FCA Regulations.

8.4 A transaction in derivatives or a forward transaction cannot be effected for the Sub-Fund(s) unless:

8.4.1 it is a permitted derivatives and forward transaction (broadly a derivative must be effected on or under the rules of any eligible derivatives market and have underlying consisting of any or all of the following; transferable securities, approved money market instruments, deposits, permitted derivatives, permitted collective investment schemes, permitted financial indices, interest rates, foreign exchange rates, currencies); and

8.4.2 it is covered as required by the FCA Regulations at COLL 5.3.3AR.

8.5 The exposure to the underlying assets must not exceed the limits in paragraph 3 and paragraph 4 except as provided in paragraph 8.9.

8.6 Where a transferable security or approved money market instrument embeds a derivative this must be taken into account for the purposes of complying with these investment restrictions.

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

8.7.1 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;

8.7.2 the economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

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

8.8 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.

8.9 If a Sub-Fund(s) invests in an index-based derivative provided the relevant index falls within the FCA Regulations at COLL 5.6.23R the underlying constituents of the index do not have to be taken into account for the purposes of paragraphs 3 and 4 above, provided the Manager takes account of the requirements for a prudent spread of risk.

8.10 A derivative or forward transaction which will or could lead to the delivery of property for the account of the Sub-Fund(s) may be entered into only if:

8.10.1 that property can be held for the account of the Sub-Fund(s); and

8.10.2 the Manager, having taken reasonable care, determines that delivery of the property under the transaction will not occur or will not lead to a breach of the FCA Rules.

8.11 No agreement by or on behalf of a Sub-Fund to dispose of property or rights (except for a deposit) may be made unless:

8.11.1 the obligation to make the disposal and any other similar obligation could immediately be honoured by the Sub-Fund by delivery of property or the assignment of rights; and

8.11.2 the property and rights at paragraph 8.11.1 are owned by the Sub-Fund at the time of the agreement.

9. Permitted Transactions (Derivatives and Forwards)

9.1 A transaction in a derivative must:

9.1.1 be in an approved derivative; or

9.1.2 be an OTC derivative which complies with paragraph 9.7 and:

9.2 In addition:

9.2.1 the underlying must consist of any or all of the following to which the scheme is dedicated: transferable securities; approved money-market instruments; permitted deposits; permitted derivatives; permitted collective investment scheme units; certain financial indices; interest rates; foreign exchange rates and currencies;

9.2.2 the exposure to the underlying must not exceed the limits set out at paragraphs 3 4 above.

9.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market. A derivatives transaction must not cause the Sub-Fund(s) to diverge from its investment objectives as stated in the Instrument and the most recently published prospectus and 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, collective investment scheme units or derivatives.

9.4 Any forward transaction must be with an Eligible Institution or an Approved Bank.

9.5 A Sub-Fund may not undertake transactions in derivatives of commodities.

9.6 A derivative includes an instrument which fulfils the following criteria:

9.6.1 it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

9.6.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6A R (UCITS schemes: permitted types of scheme property) including cash;

9.6.3 in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23 R (OTC transactions in derivatives);

9.6.4 its risks are adequately captured by the risk management process of the Manager, and by its internal control mechanisms in the case of risks of asymmetry of information between the Manager and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

9.7 OTC transactions in under this paragraph 9.7 must be:

9.7.1 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:

(a) an Eligible Institution or an Approved Bank; or

(b) 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;

9.7.2 on approved terms; the terms of the transaction in derivatives are approved only if the Manager:

(a) 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

(b) can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value;

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

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

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

9.7.4 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:

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

(b) a department within the Manager which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

10. Financial Indices underlying derivatives

10.1 The financial indices referred to in paragraph 9.2.1 are those where the index is sufficiently diversified, it represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner.

10.2 A financial index is sufficiently diversified if:

10.2.1 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;

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

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

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

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

10.3.2 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

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

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

10.4.1 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

10.4.2 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.

10.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 9.2.1 be regarded as a combination of those underlyings.

10.6 If the composition of an index is not sufficiently diversified in order to avoid undue concentration, its underlying assets should be combined with the other assets of the Sub-Fund when assessing compliance with the requirements on cover for transactions in derivatives and forward transactions set out in this Appendix.

10.7 In order to avoid undue concentration, where derivatives on an index composed of assets in which a UCITS scheme cannot invest are used to track or gain high exposure to the index, the index should be at least diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this paragraph.

10.8 If derivatives on that index are used for risk-diversification purposes, provided that the exposure of the Sub-Fund to that index complies with the 5%, 10% and 40% ratios as set out in section 3, there is no need to look at the underlying components of that index to ensure that it is sufficiently diversified.

11. Cover for transactions in derivatives and forward transactions

11.1 The Manager must ensure that each Sub-Fund's global exposure relating to derivatives and forwards transactions held for that Sub-Fund may not exceed the net value of its Scheme Property.

11.2 The Manager must calculate the Sub-Fund(s) global exposure on at least a daily basis. For the purposes of this paragraph, exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

11.3 The Manager must calculate the global exposure of any UCITS scheme it manages using either the commitment approach or the value at risk (VaR) approach. The commitment approach measures the incremental exposure and leverage generated through the use of derivatives and forward transactions. VaR measures the maximum expected loss at a given confidence level over a specified period of time.

11.4 There are two approaches to VaR: Absolute VaR and Relative VaR. For the Absolute VaR approach, a limit is set as a percentage of the Net Asset Value of the sub-fund. The limit is 20% or less of the Net Asset Value (based upon a 1 month holding period with a 99% one-tailed confidence interval). For the Relative VaR approach, a limit is set as a multiple of the VaR of a reference portfolio. The limit is twice or less of the reference portfolio (based upon a 1 month holding period with a 99% one-tailed confidence interval).

11.5 The table below sets of the method of calculating global exposure, and the expected levels of gross leverage (for VaR funds) as a percentage of Net Asset Value.

Please note: Gross leverage figures are not a true reflection of risk. The expected levels given below are for illustrative purposes only and are not limits. In particular, the figure given in the column 'Higher expected gross leverage level' is not a maximum figure and the level of gross leverage may exceed this figure. The level of leverage and expectations may vary over time.

Sub-Fund	Global exposure method	Typical expected gross leverage level (%)	Higher expected gross leverage level (%)
True Potential Threadneedle Monthly Income	Absolute VaR	102	105

12. Significant influence

(Please note that this paragraph applies at the level of the Trust only.)

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

12.1.1 immediately before the acquisition, the aggregate of any such securities held for the Trust, taken together with any such securities already held for other authorised unit trusts or authorised contractual scheme of which the Manager is also the authorised fund manager gives the Manager power significantly to influence the conduct of business of that body corporate; or

12.1.2 the acquisition gives the Manager that power.

12.2 For the purpose of paragraph 12.1 the Manager is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held for all the authorised unit trusts and authorised contractual schemes, of which it is the authorised fund manager, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

13. Concentration limits

(Please note that this paragraph applies at the level of the Sub-Fund only.)

13.1 The Sub-Fund:

13.1.1 must not acquire transferable securities (other than debt securities) which (a) do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and (b) represent more than 10% of those securities issued by that body corporate;

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

13.1.3 must not acquire more than 10% of the approved money market instruments issued by any single body.

13.2 However, the Sub-Fund need not comply with the limits in paragraphs 13.1.2 and 13.1.3 above if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

14. General

14.1 Underwriting and sub-underwriting contracts and placings may also, subject to certain conditions set out in the FCA Regulations, be entered into for the account of the Sub-Fund(s).

14.2 Cash or near cash may be retained in the Scheme Property to enable the pursuit of the investment objective; or for redemption of units in the Sub-Fund(s); or efficient management of the Sub-Fund(s) in accordance with its investment objective or for

a purpose which may reasonably be regarded as ancillary to the investment objective of the Sub-Fund(s).

14.3 The Trust or the Trustee on behalf of the Trust must not provide any guarantee or indemnity in respect of the obligation of any person and none of the property of the Trust may be used to discharge any obligation arising under a guarantee or indirectly with respect to the obligation of any person.

14.4 paragraph 14.3 does not apply to guarantees or indemnities specified in COLL 5.5.9(3)R.

15. Immovable property

No Sub-Fund will maintain an interest in immovable property or tangible movable property.

16. Stocklending

The Sub-Fund(s) may not enter into stocklending transactions.

17. Borrowing and lending powers

17.1 The Trust may, subject to the FCA Regulations, borrow money from an Eligible Institution or an Approved Bank for the use of the Trust or a Sub-Fund on the terms that the borrowing is to be repayable out of the Scheme Property.

17.2 The Trust will not lend any part of the Scheme Property other than money by way of deposit or otherwise.

17.3 The Trust will not lend any money which forms part of the Scheme Property. However, providing an officer of the Trust with money to meet expenditure does not constitute lending for the purposes of this prohibition. Neither acquiring a debenture nor placing money on deposit in a current account constitutes lending.

17.4 Where transactions in derivatives or forward transactions are used for the account of a Sub-Fund in accordance with the FCA Rules, this paragraph does not prevent the Trust (or the Trustee at the request of the Trust), from:

17.4.1 lending, depositing, pledging or charging the Scheme Property of that Sub-Fund for margin requirements; or

17.4.2 transferring Scheme Property of that Sub-Fund under the terms of an agreement in relation to margin requirements, provided that the Manager reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Unitholders.

17.5 The Manager must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property. Borrowing must be on a temporary basis and not persistent and against these criteria the Manager must have regard to:

17.5.1 the duration of any period of borrowing, and

17.5.2 the number of occasions on which resort is had to borrowing in any period.

17.6 No period of borrowing should exceed three months without the prior consent of the Trustee which may only be given on such conditions as appear appropriate to the Trustee to ensure that borrowing does not cease to be on a temporary basis only.

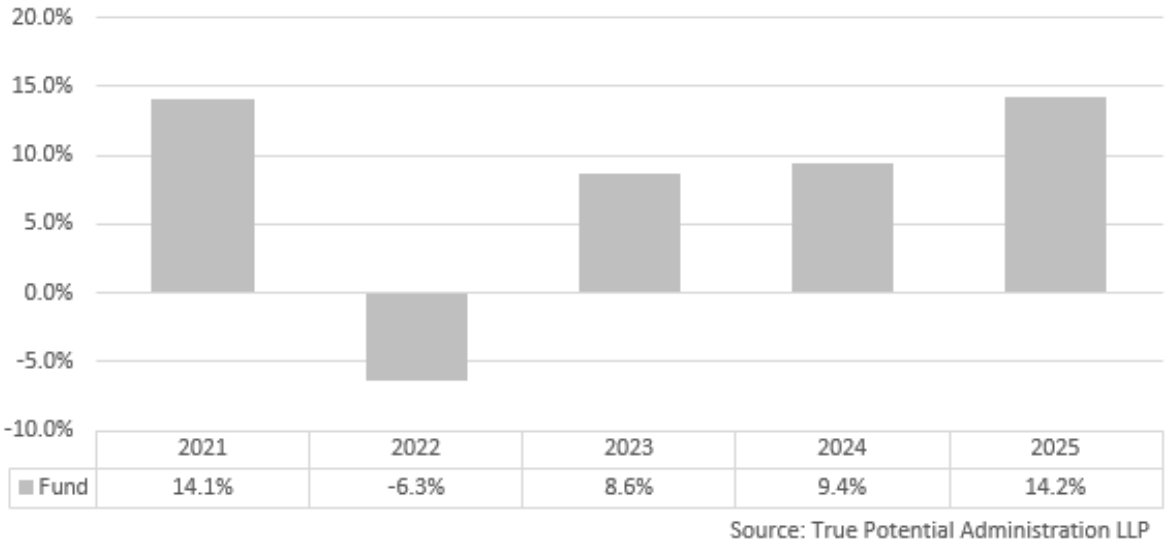
17.7 These borrowing restrictions do not apply to "back to back" borrowing to be cover for transactions in derivatives and forward transactions.

17.8 The Trust will not issue any debenture unless it acknowledges or creates a borrowing that complies with COLL 5.5.4(1) to (6) inclusive.

17.9 The Scheme Property will not be mortgaged.

Appendix 3
Historical Performance Data

True Potential Threadneedle Monthly Income



	2021	2022	2023	2024	2025
Fund	14.1%	-6.3%	8.6%	9.4%	14.2%

Source: True Potential Administration LLP

Past performance is not a reliable guide to future performance. The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested.

Appendix 4
Eligible Securities Markets

The following markets shall be eligible securities markets for each Sub-Fund, subject to its investment objective and policy.

Country	Exchange
Australia	Australian Securities Exchange
Brazil	B3 S.A
Canada	The OTC Market(s) in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organization of Canada;
	Toronto Stock Exchange
	TSX Venture Exchange
Chile	Santiago Stock Exchange
China	Shanghai Stock Exchange
	Shenzhen Stock Exchange
Colombia	Colombia Stock Exchange (Bolsa de Valores de Colombia)
Egypt	Egyptian Exchange
Hong Kong	GEM (Growth Enterprise Market)
	Hong Kong Stock Exchange
India	BSE Limited
	National Stock Exchange of India
Indonesia	Indonesia Stock Exchange
Israel	Tel Aviv Stock Exchange
Japan	Nagoya Stock Exchange
	Sapporo Securities Exchange
	Tokyo Stock Exchange
Korea, Republic of	Korea Exchange
Malaysia	Bursa Malaysia
Mexico	Mexican Stock Exchange (Bolsa Mexicana de Valores)
New Zealand	New Zealand Exchange Ltd
Norway	Oslo Bors
Peru	Lima Stock Exchange (Bolsa de Valores de Lima)
Philippines	Philippine Stock Exchange
Singapore	Singapore Exchange
South Africa	JSE Limited
Sri Lanka	Colombo Stock Exchange
Switzerland	SIX Swiss Exchange
Taiwan	Taipei Exchange
	Taiwan Stock Exchange
Thailand	Stock Exchange of Thailand

Country	Exchange
Turkey	Borsa Istanbul
United Kingdom	London Stock Exchange AIM MTF
United States	NASDAQ
	New York Stock Exchange
	NYSE American
	NYSE Chicago
	NYSE National
	The OTC Market(s) in US Government securities conducted by primary dealers selected and regulated by the Federal Reserve Bank of New York
	The OTC Market(s) in US securities, regulated by FINRA and SEC

Appendix 5
Eligible Derivatives Markets

The following markets shall be eligible derivative markets for those Sub-Funds which use derivatives:

Country	Exchange
Australia	Australian Securities Exchange
Brazil	B3 S.A
Canada	The Montreal Exchange
China	Shanghai Stock Exchange
	Shenzhen Stock Exchange
Hong Kong	Hong Kong Futures Exchange
India	BSE Limited
	NSE International - NSE IX/ NSE IFSC
	National Stock Exchange India
Israel	Tel Aviv Stock Exchange (TASE)
Japan	Osaka Exchange Inc
	Tokyo Financial Exchange
Korea, Republic of	Korea Exchange
Malaysia	Bursa Malaysia Derivatives
Mexico	Mexican Derivatives Exchange (MexDer)
Singapore	Singapore Exchange
South Africa	JSE Limited
Taiwan	Taiwan Futures Exchange
Thailand	Thailand Futures Exchange
Turkey	Borsa Istanbul
United States	Chicago Board Options Exchange
	Cboe Futures Exchange
	Chicago Board of Trade
	Chicago Mercantile Exchange
	ICE Futures U.S.
	NASDAQ
	NASDAQ BX
	NASDAQ PHLX
	NYSE American LLC
	NYSE Arca
	NYSE Chicago

Appendix 6
Directory

The Trust

True Potential Unit Trust

Manager

True Potential Administration LLP
Newburn House,
Newburn Riverside,
Gateway West,
Newcastle Upon Tyne
NE15 8NX

Telephone: 0191 500 8807

Investment Manager

True Potential Investments LLP
Newburn House,
Gateway West,
Newburn Riverside,
Newcastle Upon Tyne
NE15 8NX

Trustee and Depositary

Northern Trust Investor Services Limited
50 Bank Street
London
E14 5NT

Registrar and Administrator

The Northern Trust Company, London Branch
50 Bank Street
London
E14 5NT

Auditor

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

Appendix 7

List of Authorised Funds for which True Potential Administration LLP acts as authorised fund manager or authorised corporate director

True Potential OEIC 1
True Potential OEIC 2
True Potential OEIC 3
True Potential Unit Trust

Appendix 8
List of sub-custodians

At the date of this prospectus the Depositary has appointed the following local sub-custodians. An up-to-date version of this list may be obtained from the Manager on request.

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bahrain	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank	
Belgium	The Northern Trust Company	
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliaros S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
Canada	The Northern Trust Company, Canada Branch	
Canada	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China A Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China A Share	Industrial and Commercial Bank of China Limited	
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
Clearstream	Clearstream Banking S.A	
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Skandinaviska Enskilda Banken AB (publ)	
Egypt	Citibank N.A., Cairo Branch	
Estonia	Swedbank AS	
Euroclear	Euroclearn Bank S.A/N.V	
Finland	Skandinaviska Enskilda Banken AB (publ)	
France	The Northern Trust Company	
Germany	The Northern Trust Company	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock and Bond Connect)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	Citibank Europe plc.	
Iceland	Landsbankinn hf.	
India	Citibank N.A.	
Indonesia	Standard Chartered Bank	
Ireland	The Northern Trust Company, London	
Israel	Citibank, N.A., Israel Branch	
Italy	Citibank Europe plc	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Bank of Jordan Plc	

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V.	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Citi Mexico S.A.	
Morocco	Citibank Maghreb S.A	
Namibia	Standard Bank Namibia Ltd	
Netherlands	The Northern Trust Company	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Skandinaviska Enskilda Banken AB (publ)	
Oman	First Abu Dhabi PJSC, Oman Branch	
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Handlowy w Warszawie S.A	
Portugal	BNP Paribas SA	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
Romania	Citibank Europe PLC	
Russia	AO Citibank	
Saudi Arabia	The Northern Trust Company of Saudi Arabia	
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	The Hongkong and Shanghai Banking Corporation Limited	
Slovakia	Citibank Europe PLC	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Citibank Europe plc	
Sri Lanka	Standard Chartered Bank	
Sweden	Skandinaviska Enskilda Banken AB (publ)	
Switzerland	UBS AG Switzerland	
Taiwan	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand	Citibank N.A., Bangkok Branch	
Tunisia	Union Internationale de Banques	
Turkey	Citibank A.S.	
United Arab Emirates (ADX)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (DFM)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (NASDAQ)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
Uganda	Standard Chartered Bank Uganda Limited	
Ukraine (Market suspended)	JSC “Citibank”	

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
United Kingdom	Euroclear UK & International Limited (Northern Trust self-custody)	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
West Africa (UEMOA)	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
Zambia	Standard Chartered Bank Zambia PLC	
Zimbabwe	The Standard bank of South Africa Limited	Stanbic Bank Zimbabwe Limited