

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

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

**PROSPECTUS**  
**OF**  
**WS AVI WORLDWIDE OPPORTUNITIES FUND**  
**(An open-ended investment company**  
**incorporated with limited liability and**  
**registered in England and Wales**  
**under registered number IC000178)**

This document constitutes the Prospectus for WS AVI Worldwide Opportunities Fund which has been prepared in accordance with the Collective Investment Schemes Sourcebook.

**This Prospectus is dated, and is valid as at, 5 November 2025.**

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

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## **Important Information**

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

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

**The Fund is not available for investment by EU resident retail clients.**

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

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

The provisions of the Instrument of Incorporation are binding on each of the Shareholders and a copy of the Instrument of Incorporation is available on request from Waystone Management (UK) Limited.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Waystone Management (UK) Limited.

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

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

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

## 1. DEFINITIONS

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“ACD”</b>                 | Waystone Management (UK) Limited, the authorised corporate director of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>“ACD Agreement”</b>       | An agreement between the Company and the ACD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>“Administrator”</b>       | Northern Trust Global Services SE, or such other entity as is appointed to act as the administrator to the Company from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>“Approved Bank”</b>       | (in relation to a bank account opened by the Company):<br>(a) if the account is opened at a branch in the United Kingdom:<br>(i) the Bank of England; or<br>(ii) the central bank of a member state of the OECD; or<br>(iii) a bank; or<br>(iv) a building society; or<br>(v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or<br>(b) if the account is opened elsewhere:<br>(i) a bank in (a); or<br>(ii) a credit institution established in an EEA State other than in the United Kingdom and duly authorised by the relevant Home State Regulator; or<br>(iii) a bank which is regulated in the Isle of Man or the Channel Islands; or<br>(c) a bank supervised by the South African Reserve Bank. |
| <b>“Associate”</b>           | any person whose business or domestic relationship with the ACD or the ACD’s associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Auditor”</b>             | Grant Thornton UK LLP, or such other entity as is appointed to act as auditor to the Company from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>“Business Day”</b>        | a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of the Company’s portfolio of securities or a significant portion thereof, the ACD may decide that any Business Day shall not be construed as such.                                                                                                                                                                                                                                                                                                                                                             |
| <b>“Class” or “Classes”</b>  | in relation to Shares, means (according to the context) all of the Shares related to the Company or a particular class or classes of Share related to the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“COLL”</b>                | refers to the appropriate chapter or rule in the COLL Sourcebook.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“the COLL Sourcebook”</b> | the Collective Investment Schemes Sourcebook issued by the FCA as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>“Company”</b>             | WS AVI Worldwide Opportunities Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Conversion”</b>                              | the exchange of Shares in one Class for Shares of another Class the act of so exchanging and “Convert” shall be construed accordingly.                                                                                                                                                                                                                                                                                                                                       |
| <b>“Dealing Day”</b>                             | each day which is a Business Day or such other day as the ACD may determine to avoid excessive periods between valuations that would otherwise be caused by the incidence of non-Business Days.                                                                                                                                                                                                                                                                              |
| <b>“Depository”</b>                              | Northern Trust Investor Services Limited, or such other person as is appointed to act as the depository of the Company from time to time.                                                                                                                                                                                                                                                                                                                                    |
| <b>“Director” or “Directors”</b>                 | the directors of the Company from time to time (including the ACD).                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“EEA State”</b>                               | a member state of the European Union and any other state which is within the European Economic Area.                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“Efficient Portfolio Management” or “EPM”</b> | for the purposes of this Prospectus, means an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of costs or the generation of additional capital or income for the Company with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in COLL.                                                                                            |
| <b>“Eligible Institution”</b>                    | one of certain eligible institutions as defined in the glossary of definitions to the FCA Handbook.                                                                                                                                                                                                                                                                                                                                                                          |
| <b>‘EMIR’</b>                                    | the UK version of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories” as amended by Regulation (EU) 2019/834;                                                                                                                                                                                                                                                                                                                     |
| <b>‘EU resident retail client’</b>               | any client resident in an EU country that is a member of the European Union;                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“the FCA”</b>                                 | the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time.                                                                                                                                                                                                                                                                                                                                             |
| <b>“the FCA Handbook”</b>                        | the FCA Handbook of Rules and Guidance, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“the Financial Services Register”</b>         | the public record, as required by section 347 of the Financial Services and Markets Act 2000 (The public record) of every:<br>(a) authorised person;<br>(b) AUT;<br>(c) ICVC;<br>(d) ACS;<br>(e) recognised scheme;<br>(f) recognised investment exchange;<br>(g) individual to whom a prohibition order relates;<br>(h) approved person; and<br>(i) person within such other class (if any) as the FCA may determine;<br>except as provided by any transitional provisions. |
| <b>“Fund Accountant”</b>                         | Northern Trust Global Services SE, or such other entity as is appointed to provide fund accounting services.                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Home State”</b>                              | (1) (in relation to a credit institution) the EEA State in which the credit institution has been authorised in accordance with the Banking Consolidation Directive.                                                                                                                                                                                                                                                                                                          |

|                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                          | <p>(2) (in relation to an investment firm):</p> <p>(a) where the investment firm is a natural person, the EEA State in which its head office is situated;</p> <p>(b) where the investment firm is a legal person, the EEA State in which its registered office is situated or, if under its national law it has no registered office, the EEA State in which its head office is situated.</p> <p>(3) (in relation to an insurer with an EEA right) the EEA State in which the registered office of the insurer is situated.</p> <p>(4) (in relation to a market) the EEA State in which the registered office of the body which provides trading facilities is situated or, if under its national law it has no registered office, the EEA State in which that body's head office is situated.</p> <p>(5) (in relation to a Treaty firm) the EEA State in which its head office is situated, in accordance with paragraph 1 of Schedule 4 to the Financial Services and Markets Act 2000 (Treaty rights).</p> |
| <b>"ICVC"</b>                                            | Investment Company with Variable Capital.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>"Instrument of Incorporation"</b>                     | the instrument of incorporation of the Company as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>"Investment Manager"</b>                              | Asset Value Investors Limited, the investment manager to the ACD in respect of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>"IOSCO"</b>                                           | the International Organisation of Securities Commissions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>"Key Investor Information Document"</b>               | The Company publishes a Key Investor Information Document (a "KIID") for each Share Class which contains information to help investors understand the nature and the risks of investing in the Company. A KIID must be provided to investors prior to subscribing for Shares so they can make an informed decision about whether to invest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>"Net Asset Value" or "NAV"</b>                        | the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Instrument of Incorporation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>"OEIC Regulations"</b>                                | the Open-Ended Investment Companies Regulations 2001 as amended or re-enacted from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>"Ongoing Charges Figure"</b>                          | a single percentage figure used to show the total annual operating costs taken from the assets of the relevant Fund over the year, and based on the figures for the preceding year, including the Annual Management Charge, registration fees, the Depositary's periodic charge, custody fees and the Auditor's fees, but excluding any initial charge, redemption charge, brokerage charges, taxes or other dealing costs incurred in respect of the Fund's scheme property.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>"Over-the-Counter Derivative" or "OTC derivative"</b> | Over-the-counter derivative: a derivative which is not traded on an investment exchange.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>"Register"</b>                                        | the register of Shareholders of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>"Registrar"</b>                                       | Northern Trust Global Services SE, or such other entity as is appointed to act as Registrar to the Company from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>"Regulated Activities Order"</b>                      | the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

|                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Regulations”</b>                                  | the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>“Scheme Property”</b>                              | the Scheme Property of the Company required under the COLL Sourcebook to be given for safekeeping to the Depositary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>“Share” or “Shares”</b>                            | a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one thousandth of a larger denomination share).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“Shareholder”</b>                                  | a holder of registered Shares in the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>“The International Tax Compliance Regulations”</b> | The International Tax Compliance Regulations – means SI 878/2015 implementing obligations arising under the following agreements and arrangements: European Union Council Directive 2011/16/EU (sometimes known as “the DAC”); the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information signed by the government of the UK on 29 <sup>th</sup> October 2014 in relation to agreements with various jurisdictions to improve international tax compliance based on the standard for automatic exchange of financial account information developed by the Organisation for Economic Co-Operation and Development (sometimes known as “the CRS”); and the agreement reached between the government of the UK and the government of the USA to improve tax compliance (sometimes known as “the FATCA Agreement”). |
| <b>“UK UCITS Scheme”</b>                              | a scheme constituted in accordance with the UCITS Directive (a European Directive relating to undertakings for collective investment in transferable securities which has been adopted in the UK) as it applies in the UK from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>“US” or “United States”</b>                        | the United States of America (including the States and the District of Colombia) and any of its territories, possessions and other areas subject to its jurisdiction.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“US Persons”</b>                                   | a person who falls within the definition of “US Person” as defined in rule 902 of regulation S of the United States Securities Act 1933 and shall include additionally any person that is not a "Non-United States Person" within the meaning of United States Commodity Futures Trading Commission Regulation 4.7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“Valuation Point”</b>                              | the point on a Dealing Day whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed. The current Valuation Point is 12.00 noon London time on each Dealing Day with the exception of a bank holiday in England and Wales or the last Business Day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary.                                                                                                                                                                                                                                                                               |
| <b>“VAT”</b>                                          | Value Added Tax.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## 2. DETAILS OF THE COMPANY

### 2.1 General Information

#### 2.1.1 General

WS AVI Worldwide Opportunities Fund (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000178 and authorised by the Financial Conduct Authority with effect from 27 May 2002. Please note that approval by the FCA in this context does not in any way indicate or suggest endorsement or approval of the Company as an investment. The FCA's Product Reference Number ("PRN") for the Company is 407769. The Company has an unlimited duration.

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

The ACD is also the authorised corporate director of certain other open-ended investment companies, details of which are set out in Appendix IV.

#### 2.1.2 Head Office

The head office is the address at which notices or other documents may be served on the Company. The address of the head office of the Company is detailed within the 'Contact Us' section in Appendix VII and within the Prospectus 'Directory' in Appendix VIII.

For any general correspondence about an investment account, please contact the Administrator, the details of which are included within the 'Contact Us' section of this Prospectus.

#### 2.1.3 Base Currency

The base currency of the Company is Pounds Sterling.

#### 2.1.4 Share Capital

|         |                  |
|---------|------------------|
| Maximum | £100,000,000,000 |
| Minimum | £1,000,000       |

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

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

The Company is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of the Company may harm performance by disrupting portfolio management strategies and by increasing expenses. The ACD may at its discretion refuse to accept applications for, or conversion of, Shares, especially



where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Company. For these purposes, the ACD may consider an investor's trading history in the Company or other Waystone Management (UK) Limited funds and accounts under common ownership or control.

## **2.2 The Structure of the Company**

### **2.2.1 The Company**

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

The Company is a UK UCITS scheme for the purposes of the Regulations.

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

The Company will generally invest in "approved securities", which are transferable securities which are admitted to, or dealt in, on an eligible market as defined for the purposes of the COLL Sourcebook. The eligible securities markets (in addition to those established in the UK and EEA member states) and eligible derivatives markets for the Company are as set out in Appendix II. A detailed statement of the general investment and borrowing restrictions in respect of the Company is set out in Appendix III.

### **ISAs (Individual Savings Accounts)**

There are limits to the amount that can be invested in an ISA in a tax year. The ISA limits for the current tax year are published on the HM Revenue & Customs website - <https://www.gov.uk/individual-savings-accounts>.

It is intended that the Fund will satisfy the eligibility requirements to be qualifying investments for a stocks and shares component of an ISA. Please refer to the ISA Application Form, Supplementary Information Document and ISA Terms & Conditions, available from Waystone Management (UK) Limited, [www.waystone.com](http://www.waystone.com), for further information on eligibility within the Waystone Management (UK) Limited ISA.

### **2.2.2 Classes of Share within the Company**

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

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

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

On the introduction of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

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

The Company may issue Class A Shares, Class B Shares, Class C (USD), and Class G Shares. Each of these Shares may be available as both income and accumulation Shares, although accumulation Shares are only currently in issue. Further details of the Shares presently available, including details of their criteria for subscription and fee structure, are set out in Appendix I.

The criteria for the subscription of the Class A Shares, Class B Shares, Class C (USD), and Class G Shares relate to the investment minima, and are set out in Appendix I.

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

The Instrument of Incorporation allows income and accumulation Shares to be issued.

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

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

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

Shareholders are entitled (subject to certain restrictions) to Convert all or part of their Shares in a Class for Shares of another Class within the Company. Details of this Conversion facility and the restrictions are set out in paragraph 3.3 "Conversion".

### 3. **BUYING AND SELLING**

The dealing office of the Administrator is open from 9.00am until 5.00pm on each Dealing Day to receive requests for the issue, redemption and switching of Shares in all the Company. Written dealing instructions should be sent by post or email to the Administrator at Northern Trust Global Services SE, the details of which are shown in the 'Contact Us' section of this document. Section 3.1.1 provides further details.

Dealing requests received before the Valuation Point on any Dealing Day will normally be fulfilled that day at the next calculated price. Dealing instructions sent to any postal address or e-mail other than the dealing office of the Administrator (as per the 'Contact Us' section of this Prospectus and as stated in the paragraph above) may be delayed and may not receive the next calculated price.

#### 3.1 **Buying Shares**

##### 3.1.1 **Procedure**

Shares can be bought by sending a completed application form, via post or e-mail, to the dealing office of the Administrator detailed within the 'Contact Us' section of this Prospectus. An application form is always required to open an account but subsequently, shares can be bought by electronic means acceptable to the ACD (see 'Electronic Communications' below). Where application forms are sent by e-mail or post, the original application form may also be required. Application forms may be obtained on request from the ACD or the Administrator. Large print, braille or audio versions of this Prospectus, application forms and other fund documentation is available on request from the ACD.

When buying Shares on behalf of a Trust, the Trust cannot be registered as a Shareholder and therefore any Shares bought on behalf of a Trust are registered in the names of the individual Trustees (up to a maximum of 4). Any appointment of new trustees or resignation of existing trustees should be notified to the ACD in writing as soon as possible after the change. It will be necessary to complete a stock transfer form in order to reflect the change on the Register. Failure to do so may result in a delay in releasing the proceeds of any sale of Shares.

All requests to buy Shares must be accompanied by confirmation that the investor has been provided with the latest copy of the KIID relating to the Company or funds in which the investor wishes to purchase Shares and contain a self-certification of their tax residency where requested.

Where a request to buy Shares has been received but the specific Share Class has not been stated, the ACD will use the investment amount to determine what Share Class to buy.

Subject to its obligations under COLL, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the investor, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the investor. By way of example only, such circumstances may include an inability to provide

confirmation that the investor has been provided with the most recent up to date KIID for the Company or funds they wish to invest in.

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

Remittances should be made in the currency of the Share class being purchased.

Other currencies will only be acceptable at the ACD's discretion.

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue (being more than one Business Days post contractual settlement date) and any loss arising on such cancellation shall be the liability of the applicant. The ACD is not obliged to issue Shares unless it has received cleared funds from an investor. You agree to reimburse any costs, losses, claims and expenses suffered or incurred by the Sub-fund or us as a result of the non-payment of the subscription monies by the agreed settlement date.

### **3.1.2 Documents the Buyer will Receive**

A contract note giving details of the Shares purchased and the relevant price will be issued by the end of the Business Day following the later of either receipt of the application to purchase Shares or the Valuation Point by reference to which the purchase price has been determined, together with, where appropriate, a notice of the investor's right to cancel.

Settlement is due on the contractual settlement date, which is the day on which value of the shares issued to the Shareholder is paid by the ACD to the Depositary (normally 4 days after the Valuation Point at which the price is established for those shares).

Title to the shares will pass to the Shareholder on the later of the contractual settlement date or when payment for them has irrevocably been received by the ACD.

The ACD may cancel the Shares issued corresponding to any subscription not paid for in full in accordance with these provisions, and the investor submitting the subscription will be liable to the Fund for any loss, costs or expenses incurred directly or indirectly in relation to such cancellation.

Payments for subscriptions made in cleared funds will be transferred to a client money account on the day following receipt by the ACD unless that is the contractual settlement date, in which case they will be paid, net of any fees or other amounts payable to the ACD, to the Depositary to pay for the issue of the shares.

Payments for subscriptions which are not made in cleared funds (e.g. cheques and direct debits) will be received by the ACD into a client money account and will be paid to the ACD on the later of the contractual settlement date or the date when payment has irrevocably been received.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Company's Register of Shareholders. Statements in respect of periodic distribution in relation to Shares will show the number of Shares held by the recipient. Individual statements of a Shareholder's (or, when Shares are jointly held, the first-named holder's) Shares will also be issued at any time on request by the registered holder.

#### **3.1.3 Regular Savings Plan**

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

#### **3.1.4 Minimum Subscriptions and Holdings**

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

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

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

### **3.2 Redeeming Shares**

#### **3.2.1 Procedure**

Every Shareholder has the right to require that the Company redeem their Shares on any Dealing Day unless the value of Shares which a Shareholder wishes to redeem will mean that the Shareholder will hold Shares with a value less than the required minimum, in which case the Shareholder may be required to redeem their entire holding. Requests to redeem Shares may be made to the Administrator in writing or by electronic means acceptable to the Administrator (see section 3.6 entitled 'Electronic Communications' below). Full contact details for the dealing office of the Administrator are included within the 'Contact Us' section of this Prospectus. Where an instruction to redeem Shares has been given to the Administrator by e-mail, a written instruction signed by all registered Shareholders must be included in the e-mail for the instruction to be valid.

However, an instruction to the ACD to redeem Shares, although irrevocable, may not be accepted by either the Company or the ACD if the redemption represents Shares where the investor has not received title (see section 3.1.2) or if documentation or anti-money laundering information which the ACD considers is sufficient for the ACD to meet and discharge its obligations under the regulatory system has not been received by the ACD.

Where a Shareholder holds more than one type of Share Class and does not specify which Share class is to be sold, the Share class with the higher AMC will be sold by default.

Redemption proceeds will be paid out in the currency of the Share class being redeemed.

### **3.2.2 Documents the Seller will receive and payment of redemption monies**

A contract note giving details of the number and price of Shares sold will be sent to the selling Shareholder (the first-named, in the case of joint Shareholders) together (if sufficient written instructions have not already been given) with a form of renunciation for completion and execution by the Shareholder (and, in the case of a joint holding, by all the joint holders) no later than the end of the Business Day following the later of the request to redeem Shares or the Valuation Point by reference to which the redemption price is determined. Payment of the redemption monies will be issued in accordance with the Shareholder's request on the later of (a) four Business days after the Valuation point following receipt by the Administrator of the request to redeem, and (b) receipt by the Administrator of any outstanding documentation including, but not limited to, a correctly completed form of renunciation (or other sufficient written instructions) duly signed by all the relevant Shareholders, together with any required identity verification documentation (see also section 3.12 Money Laundering in this respect).

The Depositary will pay the proceeds from the cancellation of shares into a client money account operated by the ACD and payments to Shareholders will be made from this account. Subject to the treatment of any de minimis amount, monies due to Shareholders will be held as client money until the payment to the Shareholder has settled (or, in the case of a switch into another fund operated by the ACD, until the contractual settlement date of the associated subscription).

### **3.2.3 Minimum Redemption**

The ACD reserves the right to refuse a redemption request if the remaining value of the Shares held is less than the minimum holding stated in respect of the appropriate Class in question (see Appendix I).

## **3.3 Conversion**

Subject to any restrictions on the eligibility of investors in relation to a particular Share Class, a Shareholder may at any time Convert all or some of their Shares ("Original Shares") for Shares in a different Class ("New Shares"). Conversions across share classes in different currencies are not permitted.

A Conversion is an exchange of Shares in one Class for Shares of another Class.

Conversions will be effected by the Administrator recording the change of Class on the Register of the Company at the next Valuation Point following receipt of a Shareholder instructions to the Administrator.

The number of New Shares issued to a Shareholder following a Conversion will be determined by reference to the price of the Original Shares relative to the price of the New Shares at the relevant Valuation Point.

If a Shareholder wishes to Convert Shares they should contact the Administrator for further information. Instructions may be given by e-mail or post but Shareholders are required to

provide signed written instructions to the Administrator (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) before the Conversion is effected.

If a partial Conversion would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, exchange the whole of the Shareholder's holding of Original Shares to New Shares or refuse to effect any Conversion of the Original Shares.

Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a Conversion. Signed written instructions must be received by the Administrator before the Valuation Point on a Dealing Day to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant instruction may agree. Requests to Convert received after a Valuation Point will be held over until the next day which is a Dealing Day.

#### **Instructed by the ACD**

The ACD may, in its sole discretion, convert some or all of the Shares held by any Shareholder from one Class of Share ('Original Shares') to another Class of Share in the same Fund ('New Shares'), provided that the terms of the Original Shares are substantially similar to the New Shares. The ACD will provide the Shareholder with 60 days' prior written notice of any such conversion. Such conversions will only be carried out when the ACD considers it to be in the best interests of the Shareholder.

In addition, where a holding has dropped below the minimum investment value required for that share class (except where such drop in value has arisen through market movements), the ACD may, in its sole discretion, convert the Original Shares into New Shares in a class that has more appropriate minimum investment levels within the same Fund, which may have a higher charge than the existing charges being applied to the Original Shares. The ACD will provide the Shareholder with 60 days' prior written notice of any such conversion and Shareholders will be given the option to opt out of such conversion by topping up their investment to the minimum investment limit for the share class they are in or redeeming their investment.

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

### **3.4 Charges, Fees and Expenses**

The price per Share at which Shares are bought, redeemed or Converted is the Net Asset Value per Share. Any initial charge or redemption charge is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

#### **3.4.1 Initial Charge**

The ACD may impose a charge on the sale of Shares which is payable in addition to the Share price and is taken from the gross subscription monies. The initial charge is payable to the ACD. The current initial charges applicable to the Funds and the various Share Classes are set out

in each of the Fund information pages in Appendix 1. The ACD may waive or discount the initial charge at its discretion. However, if a Shareholder invests via a Financial Adviser and invests into a Fund and Share Class where an initial charge could be applied, as stated in Appendix 1, then the initial charge may still apply and be paid to the adviser.

Although unlikely, if the ACD decides to increase the initial charges stated in Appendix 1, it will give no less than 60 days' prior notice in writing to all Shareholders making regular investments before such increase may take effect. The initial charge is exclusive of VAT which shall, if applicable, be payable in addition.

#### **3.4.2 Redemption Charge**

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

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

#### **3.4.3 Ongoing Charges Figure ("OCF")**

The ongoing charges figure ("OCF") relates to the costs of running a fund and the current OCF is detailed within the Key Investor Information Document ("KIID") for each fund, which can be accessed via the literature pages of the ACD's website ([www.waystone.com](http://www.waystone.com)). Ongoing charges are generally made up of two elements being the annual management charge ("AMC"), as detailed in the section above, and other costs. Where a fund invests in collective investment schemes, the ongoing charges from those underlying investments also form part of the OCF. Ongoing charges are reflected in the daily price of the fund. More information about the charges that apply are available in the Total Costs and Charges document, which is available on the ACD's website. See also section 7.1.

#### **3.4.4 Charges on Conversion**

The ACD is permitted to impose a charge where a Shareholder Converts their Shares.

There is currently no charge for Conversions of Shares for Shares in another Class.

#### **3.4.5 Dilution Adjustment**

The basis on which the Company's investments are valued for the purpose of calculating the issue and redemption price of Shares, as stipulated in COLL and the Instrument, is summarised within section 4.2 ('Calculation of the Net Asset Value'). The actual costs of purchasing or selling Shares in a Company may be higher or lower than the mid-market value used in calculating the Share price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. These costs may include dealing costs such as brokerage charges, commissions and transfer taxes (including SDRT (as applicable)), and the effects of dealing at prices other than the mid-market price. When investors purchase and redeem Shares, such charges and the dealing spread can have a materially disadvantageous effect on a Shareholder's interest in the Company, known as dilution, and can cause



performance to be diluted for all Shareholders invested in the Company. In order to mitigate the effect of 'dilution', the ACD may make a 'Dilution Adjustment' in calculating the dealing price of Shares of a Company (a policy called "Swing Pricing"). In effect the Company's Net Asset Value, or price, can be adjusted up or down, according to net cash flows in the Company, for all deals in that Company on any given day, which will have the effect of making a contribution to the cost of the transactions in the Company, thereby ensuring existing investors are not disadvantaged by dealing activity.

When applying a Dilution Adjustment, the ACD will calculate the Net Asset Value for the relevant Company, and then adjust or "swing" the Net Asset Value with reference to the rate of the applicable Dilution Adjustment. These swings are intended to protect non-dealing Shareholders in the Company from the impact of transaction charges and dealing spreads (as described above) triggered by dealing investors. The ACD will not benefit from the operation of its swing pricing policy and a Dilution Adjustment will only be applied for the purpose of reducing dilution in the interests of Shareholders in the Company.

The direction in which the Net Asset Value is swung will depend on whether there are net purchases or net redemptions in the Company on the relevant Dealing Day. Typically, if there are net inflows into a fund, the Dilution Adjustment would usually swing the Company to an offer basis, thereby increasing the Share price. If there are net outflows, the Dilution Adjustment would usually swing the Company to a bid basis by decreasing the Share price. On the occasions where the price is not swung, the relevant Company will have to cover these costs directly, which could restrict capital growth. It is expected that a Dilution Adjustment will be applied at each Valuation Point. As the estimated costs of buying and selling the underlying investments of a Company can vary with market conditions, the amount of the Dilution Adjustment can vary over time and from Company to Company. Based on historical data the ACD anticipates that the Dilution Adjustment will not exceed 2% of the Net Asset Value of the Company, however the ACD reserves the right to adjust this figure at any time in the event of exceptional market conditions, or in any case where it is of the opinion that the interests of Shareholders require the imposition of a higher level of adjustment.

The Dilution Policy, including the level of Dilution Adjustment, will be reviewed regularly and may change. It is not possible to predict accurately whether dilution is likely to occur.

### **3.5 Transfers**

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. However, the Administrator in its discretion, may also accept electronic transfers in a format specified by the ACD. Completed instruments of transfer, together with such documentary evidence of proof of identity as may have been requested by the Administrator, must be returned to the Administrator in order for the transfer to be registered. The ACD or Administrator shall not be liable for any costs or losses that may be incurred as a result of any failure to or delay in providing satisfactory evidence of identity to the Administrator.

### **3.6 Electronic Communications**

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

- (a) Prior agreement between the Administrator and the person making the communication as to:
  - (i) The electronic media by which such communications may be delivered; and
  - (ii) How such communications will be identified as conveying the necessary authority; and
- (b) Assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the Shareholder.

The Administrator is also able to accept instructions via electronic messaging services such as Calastone and EMX. The ACD is a member of the 'contract club' established by TISA ("Tax Incentivised Savings Association") to help facilitate the electronic transfer of assets and wrappers. Electronic re-registration of holdings via TeX (the TISA Exchange Limited) is therefore now available upon request, subject to contract and satisfactory due diligence. Further details are available from the ACD or the Administrator upon request.

### 3.7 **Restrictions and Compulsory Transfer, Conversion and Redemption**

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

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

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

- (d) are owned by a Shareholder who is registered in a jurisdiction (where the Company is not registered or recognised by the relevant competent authority) whereby communication with that Shareholder by the ACD, on behalf of the Company, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the ACD to prevent such a communication constituting a breach);

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

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

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

The ACD may also upon 60 days' written notice to Shareholders, combine/consolidate two or more Share classes in a fund. Such a consolidation takes place by way of a compulsory Conversion of the Shares of one Class into another Class and may be required if the ACD reasonably believes it is in the best interests of Shareholders to do so.

### **3.8 Issue of Shares in Exchange for In Specie Assets**

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

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

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

### **3.9 In Specie Redemptions**

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

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

### **3.10 Suspension of Dealings in the Company**

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

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

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

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

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

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

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

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

### 3.11 **Governing Law**

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

### 3.12 **Money Laundering**

As a result of legislation in force in the United Kingdom to prevent money laundering and financial crime (Proceeds of Crime Act 2002, The Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and relevant guidance notes), the ACD in conducting investment business is responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors and transferees may be asked to provide proof of their identity, date of birth and residency when buying, transferring or redeeming (selling) Shares. We may use electronic checking systems to verify the above, including credit agencies which may keep a record of this information; this will not affect your credit rating and is used only to verify an investor's identity. Until satisfactory proof of identity is provided, the ACD reserves the right to refrain from registering an investor's interest in Shares, or sell Shares. The ACD will not be liable for any Share price movements occurring during delays while money laundering checks are carried out. In the case of redemptions (selling shares) the release of redemption proceeds may also be delayed until required identity documents are received. During this time, redemption proceeds will be held in a non-interest bearing client money account, as detailed below. Any information provided will be held and processed by the Registrar on behalf of the ACD as data controller for the purposes of the General Data Protection Regulations.

### 3.13 **Client Money**

Whilst your investment normally forms part of the assets of the Fund, there may be occasions where money will be held on your behalf by the Manager in a client money account. This is most likely if there is a delay in investing your money into the Fund or a delay in paying money to you following you redeeming units. In this situation the Manager will treat the relevant sum as client money, as defined in the FCA Rules, which means that the sum will be held in a separate bank account to that of the Manager's own funds as set out in more detail below.

The Manager utilises the FCA regulation defined delivery versus payment exemption for the purpose of settling a transaction in relation to the purchase of units in a regulated collective investment scheme which allows money forwarded by a client to not be treated as 'client money' for the period up to the close of business on the business day following the date of receipt of the money. Money required to be held for any period beyond the close of business on the business day following the date of receipt will be transferred to a client money account.

The Manager will not calculate or pay to Shareholders any interest that may arise on these monies.

Where the Manager holds client money on your account, it will be held for your beneficial ownership in a designated omnibus client account at a UK bank, currently The Royal Bank of Scotland, with statutory trust status. This means that money held within the accounts is recognised by the bank as belonging to clients of the Manager rather than the Manager itself. The Manager is responsible for exercising all due skill, care and due diligence in the initial

selection and ongoing monitoring of all banks where client money is deposited with the security of your money being the Manager's primary consideration. The Manager will also take into account a range of other factors including the expertise of the bank and any legal requirements or market practices related to the holding of client money that could affect your rights. However, the Manager will not be responsible for any acts or omissions or for failure of any bank.

If any bank holding client money fails and cannot return your money, you may be eligible to claim compensation under the Financial Services Compensation Scheme ("FSCS"). The current compensation limit is £85,000 per eligible claimant, per bank and the limit covers all money held with the bank whether through the Manager or directly. Full details of the arrangements under the FSCS are available on their website at [www.fscs.org.uk](http://www.fscs.org.uk).

It is important to note that if a bank holding your client money fails, your money will be pooled with that held in other client money bank accounts for other holders in the funds managed by the Manager and you will have a claim against the common pool of money, rather than a claim against a specific sum in a specific account. As a result, any shortfall in the client bank accounts will be shared on a pro-rata basis between all investors on whose behalf the Manager holds client money.

In the event that the Manager were to transfer all or part of its business to a new Manager, client money held in relation to the business being transferred would also be transferred to the new Manager. The Manager will ensure that the terms of any transfer require the new Manager to hold the sums transferred in accordance with the client money rules on behalf of the clients or to apply adequate measures to protect these sums. The new Manager will also be required to return a client's transferred sums to the client as soon as practicable at the client's request.

## **4 VALUATION OF THE COMPANY**

### **4.1 General**

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

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

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

“Late Trading” is defined as the acceptance of a subscription, redemption or Convert order received after the Company’s applicable valuation point for that Dealing Day. Late Trading is not permitted. A request for dealing in Shares must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the Net Asset Value per Share calculated as at the Valuation Point on that next Dealing Day.

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

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

1. All the Scheme Property (including receivables) is to be included, subject to the following provisions.
2. Property which is not cash (or other assets dealt with in paragraphs 3 and 4 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 provided the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

- (iii) If, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, 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 ACD and the Depositary;
  - 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 ACD, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable.
  - e. Property other than that described in (a), (b), (c) and (d) above at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
3. Cash and amounts held in current, margin and deposit accounts and in other time-related deposits shall be valued at their nominal values.
  4. In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by COLL or the Instrument shall be assumed (unless the contrary has been shown) to have taken place.
  5. Subject to paragraphs 6 and 7 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net asset amount.
  6. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 5.



7. All agreements are to be included under paragraph 5 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
8. Deduct an estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT and stamp duty.
9. 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.
10. Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
11. Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
12. Add any other credits or amounts due to be paid into the Scheme Property.
13. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
14. Currencies or values in currencies other than base currency or (as the case may be) the designated currency of a Company shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

### **Valuations – general points**

For the above purposes, instructions given to issue or cancel Shares are assumed to have been carried out (and any cash paid or received) and uncompleted arrangements for the unconditional sale or purchase of property are (with certain exceptions) assumed to have been completed and all consequential action taken.

The Company has credited to itself the proceeds of all shares attributed to itself, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or assets deriving from such investments.

### **Fair Value Pricing**

Where the ACD has reasonable grounds to believe that no reliable price exists for a security at a Valuation Point or the most recent price available does not reflect the ACD's best estimate of the value of a security at the Valuation Point it should value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

The circumstances which may give rise to a fair value price being used include no recent trade in the security concerned or the occurrence of a significant event since the most recent closure of the market where the price of the security is taken. In the latter, a significant event is one that means the most recent price of a security or a basket.

## **SHARE PRICE**

### **PRICE PER SHARE IN THE COMPANY AND EACH CLASS**

Shares in the Company are "single priced". This means that subject to any Dilution Adjustment and initial charge, the price of a Share for both buying and selling purposes will be the same and determined by reference to a particular Valuation Point. The price of a Share of a relevant Class is calculated by reference to the Net Asset Value of the Company, as adjusted by any Dilution Adjustment (further details of which are set out in Section 3.4.5 'Dilution Adjustment' above) and is calculated at the Valuation Point each Dealing Day (to at least four significant figures).

### **PRICING BASIS**

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

### **PUBLICATION OF PRICES**

The most recent Share prices are available at [www.waystone.com](http://www.waystone.com) or by calling 0333 300 0363. For reasons beyond the control of the ACD, the prices quoted on external websites and publications may not necessarily be the current Share price.

## **5 RISK FACTORS**

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

### **5.1 General**

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

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

### **5.2 Effect of Initial Charge or Redemption Charge**

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

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

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

### **5.3 Dilution Adjustment**

As described in section 3.4.5 ('Dilution Adjustment'), the ACD may "swing" the NAV of the Company to attempt to mitigate the potentially dilutive effects of dealing on the NAV on any Dealing Day on which there are net subscriptions or redemptions in the Company. In such cases, investors should be aware that the application of a Dilution Adjustment may not always prevent the dilution of the NAV through transaction and other dealing costs and the adjustments made to the NAV may also benefit certain investors relative to the Shareholders in the Company as a whole. In the event that a Dilution Adjustment is not made, this may have the effect of constraining capital growth.

### **5.4 Suspension of Dealings in Shares**

Shareholders are reminded that in certain circumstances their right to redeem Shares may be suspended. Please see paragraph 3.10 for full details.

### **5.5 Currency Exchange Rates**

Funds investing in overseas securities are exposed to, and may hold, currencies other than the operational currency of the Company pounds sterling (GBP). As a result, exchange rate movements may cause the GBP value of investments to decrease or increase.

#### 5.6 **Investment Trusts**

The Company may invest in investment trusts. These are public limited companies quoted on Stock Exchanges. The price of their shares depends on supply and demand and may not reflect the value of the underlying assets. It may be higher 'at a premium' or lower 'at a discount'. The discount and premium varies continuously and represents an additional measure of risk and reward. **Gearing** – investment trusts can borrow money, which can then be used to make further investments. In a rising market, this 'gearing' can enhance returns to Shareholders. However, if the market falls, losses will also be multiplied. The level of gearing needs to be carefully judged and monitored to produce a benefit.

#### 5.7 **Derivatives**

The Investment Manager may employ derivatives for the purposes of Efficient Portfolio Management (including hedging) with the aim of reducing the risk profile of the Company, reducing costs or generating additional capital or income.

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

For more information in relation to investment in derivatives please see paragraph 17 and 18 in Appendix III.

#### 5.8 **Higher Volatility Portfolios**

The Company may hold a limited number of investments. Should one or more of those investments decline or be adversely affected, it may have a greater effect on the Company's value than if a larger number of investments were held. This may lead to a high turnover of stocks in the Company.

The Company may invest in one particular type of asset, industry, or geographical preference (e.g. the technology or oil sectors). Such concentration can give rise to higher risk than a company which has spread its investments more broadly.

#### 5.9 **Smaller Companies**

Investment in smaller companies can be higher risk than investment in well-established large capitalisation companies. Funds investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

#### 5.10 **Counterparty Risk in OTC Markets**

The ACD on behalf of the Company may enter into transactions in over-the-counter markets, which will expose the Company to the credit of its counterparties and their ability to satisfy the terms for such contracts. For example, the ACD on behalf of the Company may enter into agreements or use other derivative techniques, each of which expose the Company to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Company could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the ACD, on behalf of the Company seeks to enforce its rights, inability to realise any gains on its investments during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, Shareholders may be unable to cover any losses incurred.

#### **5.11 Counterparty and Settlement**

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

#### **5.12 Custody**

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

#### **5.13 Inflation and Interest Rates**

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

#### **5.14 Tax**

Tax laws currently in place may change in the future which could affect the value of a Shareholder's investments. See above for further details about taxation of the Company.

Currently, the Company relies extensively on tax treaties between the United Kingdom and other countries to reduce domestic rates of withholding tax being applied on income arising where the Company holds underlying assets in those countries. A risk exists that these treaties may change or that tax authorities may change their position on the application of a relevant tax treaty.

As a consequence, any such change (i.e. the imposition of, or increase in, withholding tax in that foreign jurisdiction) may result in higher rates of tax being applied to income from underlying investments and this may have a negative effect on the returns to the Company and its investors.

In addition, under some treaties, the rate of withholding tax applied to the Company may be affected by the tax profiles of investors in the Company. This is because such treaties may

require a majority of investors in the Company to be resident in either the UK or another specified jurisdiction as a condition of relief.

Failing to satisfy this test may also result in increased withholding tax and therefore a negative effect on the returns to the Company and its investors.

Statements on taxation are based on the current position in the UK as at the time of publication. The value of investments could alter as a result of future legislation. There can be no guarantee that the tax position prevailing at the time of investment will endure indefinitely. There may also be other taxes applicable to the investment and any shareholder or potential investor in doubt as to their tax position should take professional advice.

#### **5.15 Liquidity**

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

#### **5.16 Warrants**

Whilst warrants may be utilised for the management of investment risk, they can also be volatile. A warrant allows, within a subscribed period, the right to apply for shares, debentures, loan stock or government securities from the issuer of the underlying security. A small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable in the price of the warrant. Therefore, the larger the fund holding in warrants the larger the risk of volatility.

#### **5.17 Risks related to pandemics and public health**

Previous occurrences of epidemics, pandemics and outbreaks of disease, had material adverse effects on the economies, private markets and operations of those countries and jurisdictions in which they were most prevalent. A recurrence of an outbreak of any kind of epidemic, or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which could adversely affect the business, financial condition, operations and liquidity of the ACD, its service providers (including the Investment Manager), a Fund and/or the assets that it invests in. Should these or other major public health issues arise or spread (or continue to worsen), the ACD, its service providers and/or a Fund could be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing), additional limitations and governmental actions limiting the movement of people and goods between regions and other activities or operations.

#### **5.19 Cyber Security**

The ACD and its service providers may be impacted by cyber security incidents which can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, an illegal or malicious attempt to harm or gain access to IT infrastructure for the purposes of

compromising security or causing other operational disruption. Such attacks could lead to the inability to operate a service or the loss of information (including personal data).

Cyber-attacks affecting the ACD, Administrator or Depositary or other service providers, such as Intermediaries, have the ability to cause disruption and impact business operations. For example, dealing in a Fund may be impacted, or it may not be possible to calculate the Price.

The ACD seeks to ensure that it has appropriate safeguards in place to mitigate the risk of a cyber-attack and to minimise any adverse consequences arising from the attack. However, as it is not possible to predict all types of such attack, the ACD is not able to guarantee that all risks of a cyber-attack have been assessed and mitigated.

#### **5.20 Investment in Regulated Collective Investment Schemes**

The Company may invest in other regulated collective investment schemes. As an investor in another collective investment scheme, the Company will bear, along with the other investors, its portion of the expenses of the other collective investment scheme, including the management, performance and/or other fees. These fees will be in addition to the management fees and other expenses which the Company bears directly with its own operations.

#### **5.21 Property Funds**

The Company may invest in Real Estate Investment Trusts (REITs) and other funds which have exposure to property. The value of capital and income will fluctuate as property values and rental incomes rise and fall. These schemes may also invest in other property related securities. Whilst returns from these investments have the potential for attractive returns over the longer term, the short-term volatility of these returns can also be high.

## **6 MANAGEMENT AND ADMINISTRATION**

### **6.1 Regulatory Status**

The ACD, the Investment Manager and the Depositary are authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London, E20 1JN. Further details are set out below.

### **6.2 Authorised Corporate Director**

#### **6.2.1 General**

The ACD of the Company is Waystone Management (UK) Limited, which is a private limited company incorporated in England and Wales No. 03692681 under the Companies Act 1948 to 1967 on 7 January 1999.

The ACD's Registered Office and Head Office is 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. This is the address at which notices or other documents may be served on the Company. For any general correspondence about an investment account, please contact the Administrator, the details of which are included within the 'Contact Us' section of this Prospectus. As at the date of this Prospectus, the amount of the ACD's authorised share capital is £1,941,686 of ordinary £1 shares of which £1,941,686 is allotted and fully paid up.

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

The ACD is responsible for managing and administering the Company's affairs in compliance with COLL. The ACD may provide investment services to other clients and funds and to companies in which the Company may invest in accordance with COLL and the OEIC Regulations.

The executive directors of the ACD are:

A Berry

R Wheeler

V Karalekas

K Midl

The non-executive directors of the ACD are:

T Madigan

S White

E Tracey



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

The ACD has appointed Asset Value Investors Limited to provide investment management and advisory services to the ACD in respect of the Company (as further explained in paragraph 6.4 below). The ACD has appointed Northern Trust Global Services SE to provide administration services to the ACD and act as registrar to the Company (as further explained in paragraph 6.5 below).

The FCA's remuneration requirements have been implemented primarily to ensure that relevant members of staff are not incentivised, by way of their remuneration package, to take excessive risks when managing funds. The ACD has approved and adopted a remuneration policy (the "Remuneration Policy") which explains how the ACD complies with such requirements and which staff are covered. Details of the up-to-date Remuneration Policy, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration and benefits can be accessed from the following website: [www.waystone.com](http://www.waystone.com). A paper copy of these details is also available free of charge from the ACD upon request.

#### **6.2.2 Terms of Appointment**

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

Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities. It also excludes the ACD from liability to the Company or any Shareholder for any error of judgment or loss suffered in connection with the subject matter of the ACD Agreement, unless arising as a direct result of the fraud, wilful default or negligence by the ACD in the performance of its duties and obligations to the Company under the ACD Agreement. Any liability for defaults of a person to whom it has delegated certain functions is also limited to the extent permitted by the Regulations.

Under the ACD Agreement, the Company has agreed to indemnify the ACD against liabilities arising directly and incurred or suffered by the ACD in or about the execution or exercise (or in the purported execution or exercise in good faith) of its powers, duties or discretions. This does not apply to liabilities that arise as a result of the fraud, negligence or wilful default, breach of duty of the ACD or to the extent that it is a liability which has actually been recovered from another person other than the ACD's insurers from time to time. Under the ACD Agreement, the Company has also agreed to indemnify the ACD against all liabilities, brought or made against or incurred by the ACD, its directors, officers and employees (each an "ACD Indemnatee") by reason of any act or thing done by the ACD Indemnatee as a result of any negligent or wrongful direction or requirement of the Company given or made under the terms of the ACD Agreement. The Company has also agreed to indemnify the ACD against any actions, claims, costs, damages and expenses arising out of any indemnity given with the

approval of the Company by the ACD to the appointed depositary of the Company, fund accountant, transfer agent or any appointed investment adviser or investment manager of the Company. However, nothing in the ACD Agreement shall permit the ACD to be indemnified by the Company beyond the extent permitted by the Financial Services and Markets Act 2000 or the Regulations.

The ACD (or its associates or any affected person) is also under no obligation to account to the Depositary, the Company or the Shareholders for any profit it makes on the issue or re-issue or cancellation of Shares which it has redeemed. The ACD may carry out or arrange for the carrying out of stock lending transactions in respect of the Fund. The ACD reserves the right to receive a fee in relation to stock lending, subject to giving Shareholders 60 days' written notice of the details of such fees.

The ACD Agreement may be terminated by the Company after the expiry of three years from the appointment of the ACD (the "Initial 3-Year Period"), provided that the Company has given the ACD not less than three months' notice in writing, which notice may be effective at any time from the end of the Initial 3-Year Period. As for the ACD, the ACD shall be entitled to voluntarily terminate its appointment under the ACD Agreement at any time by giving three months' notice in writing to the Company, provided that no such notice shall take effect until the appointment of a successor authorised corporate director. The ACD Agreement may also be terminated immediately by a party upon certain circumstances, such as a material breach of the agreement by the other party, a requirement by law or by the FCA, or the insolvency of the other party.

The fees to which the ACD is entitled are set out within section 3.4 ('Charges, Fees and Expenses') and Appendix I.

### **6.3 The Depositary**

#### **6.3.1 General**

The Depositary is Northern Trust Investor Services Limited, a 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.

#### **6.3.2 Duties of the Depositary**

The Depositary is responsible for the safekeeping of all the Scheme Property of the Company and must ensure that the Company is managed in accordance with the Instrument of Incorporation and the provisions of the COLL Sourcebook relating to the pricing of, and dealing in, Shares and relating to the income and the investment and borrowing powers of the Company. The Depositary is also responsible for monitoring the cash flows of the Company,

and must ensure that certain processes carried out by the ACD are performed in accordance with the FCA Handbook, the Prospectus and the Instrument of Incorporation.

### **6.3.3 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 Company, the Shareholders or the ACD, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Shareholders on request.

### **6.3.4 Terms of Appointment**

The appointment of the Depositary has been made under an agreement (as amended and novated from time to time) between the Company, the ACD and the Depositary (the 'Depositary Agreement'). The Depositary Agreement is terminable on receipt of six months' 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.

Subject to the FCA Rules, 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 certain markets in which the Company may invest. A list of sub-custodians is given in Appendix 8. Investors should note that the list of sub-custodians in the Prospectus is updated only at each Prospectus review. An up to date list of sub-custodians is maintained by the ACD and is available on request.

The Depositary and the Custodian are entitled to receive remuneration out of the Scheme Property of the Company, as detailed within section 7 ('Depositary's Fees, Charges and Expenses').

## **6.4 The Investment Manager**

### **6.4.1 General**

The ACD has appointed Asset Value Investors Limited to provide investment management and advisory services to the ACD in respect of the Company.

### **6.4.2 Terms of Appointment**

Under the terms of an agreement between the Investment Manager, the ACD and the Company (the "Investment Management Agreement"), the Investment Manager has the authority of the ACD to act as portfolio manager in relation to the investments of the Fund. Subject to instances where the Investment Management Agreement may be terminated with immediate effect in the interests of the Shareholders, the Investment Management Agreement may be terminated by the ACD, by giving the Investment Manager 6 months' written notice to terminate the Investment Management Agreement, or by the Investment Manager, by giving the ACD 6 month's written notice to terminate the Investment Management Agreement. Such notice given by the ACD must not be served prior to the date which is the 3<sup>rd</sup> anniversary of the date of the Investment Management Agreement.

Under the terms of the Investment Management Agreement, the Investment Manager has discretion to take day to day investment decisions and to deal in investments in relation to the investment management of the Fund without prior reference to the ACD. The Investment Manager may delegate the performance of any or all of its powers and duties under the Investment Management Agreement with the prior written consent of the ACD.

The principal activity of the Investment Manager is the provision of portfolio management services and investment advice. The Investment Manager shall be responsible for paying for any research which it receives out of its own resources without passing on any costs to the ACD or the Company. The Investment Manager may accept and retain minor non-monetary benefits as permitted under the FCA Handbook (including research qualifying as a minor non-monetary benefit for the purposes of the relevant rules in the FCA Handbook's Conduct of Business Sourcebook) which are capable of enhancing the quality of the services provided to the Company and which are of a scale and nature such that they could not be judged to impair the Investment Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Company and the ACD. However, as at the date of the Investment Management Agreement, the Investment Manager's policy is not to receive any minor non-monetary benefits.

Under the Investment Management Agreement, to the extent permitted by the Regulations, the Company has agreed to indemnify and hold harmless the Investment Manager and its associates against any action, proceeding, claim, demand, loss, liability, cost or expense (including, without limitation, reasonably incurred legal counsel and professional fees and other reasonably incurred costs and expenses incurred in connection with the defence of any claim, action or proceedings ("Loss") suffered or incurred by them in connection with the provision of the services under the Investment Management Agreement, except to the extent that such Loss arises directly from the negligence, wilful default or fraud or a material breach

of the Investment Management Agreement by the Investment Manager or any of its directors, members, officers, employees, delegates or agents.

## **6.5 The Administrator and the Registrar**

### **6.5.1 General**

The ACD has appointed Northern Trust Global Services SE to provide administration services to the ACD and act as registrar to the Company. Its principal place of business is at 50 Bank Street, Canary Wharf, London, E14 5NT. No general correspondence should be sent to this address.

The Administrator was appointed under an agreement between the ACD and the Administrator. The agreement may be terminated by either party giving not less than 6 months' prior written notice, although it may be terminated immediately in certain circumstances. The principal activity of the Administrator is the provision of administration services.

### **6.5.2 Register of Shareholders**

The Register of Shareholders is maintained by the Registrar and may be inspected by any Shareholder, or any Shareholder's duly authorised agent, at the registered office address detailed within the '**Contact Us**' section of this Prospectus between 9.00am and 5.00pm each weekday (excluding UK bank holidays).

## **6.6 The Fund Accountant**

The ACD has appointed Northern Trust Global Services SE to provide fund accounting services.

## **6.7 Legal Advisers**

The Company is advised by Macfarlanes LLP of 20 Cursitor Street, London, EC4A 1LT.

## **6.8 The Auditors**

The auditors of the Company are Grant Thornton UK LLP, whose address is 30 Finsbury Square, London, EC2A 1AG.

## **6.9 Conflicts of Interest**

### **ACD and Investment Manager**

The ACD and the Investment Manager or any affected person are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the management of the Company or the Fund.

The ACD will seek to identify the types of conflicts that may arise between the interests of the Company and those of their own with reference to: the likelihood of making a financial gain or avoiding a loss at the expense of the Company; whether the ACD has an interest in the outcome of a service or transaction it provides to the Company; whether there is a financial or

other incentive to favour the interest of the ACD over the interests of the Company; and whether there are inducements deriving from sources in relation to the services the ACD provides to the Company, in the form of monies, goods or services, other than standard commission or fees for the service(s) in question.

Where a potential conflict arises, the ACD is committed to managing these to prevent them from constituting or giving rise to a material risk of damage to the interests of the Company and to ensure that transactions and services are effected on terms which are not materially less favourable to the Company had the potential conflict not existed. The circumstances in which conflicts of interest might arise include where the ACD acts for other investors with an interest in such investments or where the transactions are in shares of another fund for which the ACD is the authorised corporate director or investment advisor. The ACD is required to identify, manage, record and, where relevant, disclose actual or potential conflicts of interest between itself and other clients and between one client and another and to have a written policy in place.

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

Further detail of the ACD's conflicts of interest policy is available on request.

### **Depository**

The Depository may act as the depository of other investment companies and as trustee or custodian of other collective investment schemes.

It is possible that the Depository 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 Company or a particular Fund and/or other funds managed by the ACD or other funds for which the Depository acts as the depository, trustee or custodian.

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

### **Affiliates**

From time to time conflicts may arise from the appointment by the Depository 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 the Company than if the conflict or potential conflict had not existed. The Custodian and any other delegate are required to manage any such conflict having regard to the FCA Handbook and its duties to the Depositary and the ACD.

### **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 interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Company.

This includes circumstances in which the Depositary or any of its affiliates or connected persons: acts as market maker in the investments of the Company; provides broking services to the Company 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 Company; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Company; or earns profits from or has a financial or business interest in any of these activities.

### **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.

## 7 FEES AND EXPENSES

### 7.1 Ongoing

The ACD pays an element of the annual management charge to its Investment Manager, Asset Value Investors Limited.

The Investment Manager has agreed, on a discretionary basis, to waive an appropriate portion of their fee with a view to limiting the Ongoing Charges Figure of the following Share Classes:

| Share Class          | Intended Ongoing Charges Figure Limited |
|----------------------|-----------------------------------------|
| Class B Accumulation | 0.86%                                   |

Investors should note that the above arrangement does not include the costs associated with the underlying holdings. The current total OCF is quoted in the Key Investor Information Document ("KIID") which can be accessed via the literature pages of the ACD's website ([www.waystone.com](http://www.waystone.com)). Investors should also note that once the Investment Manager ceases this arrangement, the Ongoing Charges Figure may increase. Investors will be given sixty days' prior notice of this.

All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Shares (see paragraph 3.4) payable by a Shareholder or out of Scheme Property are set out in this section.

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

- 7.1.1 broker's commission, fiscal charges and other disbursements which are necessary to be incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 7.1.2 any costs incurred in the incorporation and authorisation of the Company, any Offer of Shares, the preparation and printing of any Prospectus and/or Key Investor Information Document (KIID) (and any amendments thereto) and the fees for professional services provided to the Company in connection with such offer;
- 7.1.3 fees and expenses in respect of establishing and maintaining the Register of Shareholders, including any sub-registers kept for the purpose of the administration of (when applicable) Individual Savings Accounts, are payable monthly out of the Scheme Property of the Company;
- 7.1.4 any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of Shares;



- 7.1.5 any costs incurred by the Company in publishing the price of the Shares in a national or other newspaper or any other form of media;
- 7.1.6 any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;
- 7.1.7 any fees, expenses or disbursements of any legal or other professional adviser of the Company;
- 7.1.8 any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- 7.1.9 any payment permitted by clause 6.7.15R of the COLL Sourcebook;
- 7.1.10 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- 7.1.11 taxation and duties payable in respect of the Scheme Property or the issue or redemption of Shares; the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
- 7.1.12 the fees of the FCA, in accordance with the FCA's Fee Manual, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares in the Company are or may be marketed;
- 7.1.13 any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- 7.1.14 any payments otherwise due by virtue of a change to the Regulations; and,
- 7.1.15 any value added or similar tax relating to any change or expense set out herein.

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

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

## 7.2 **Charges payable to the ACD**

### 7.2.1 **Annual Management Charge**

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Scheme Property of the Company as set out in Appendix I.

The annual management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Company on the immediately preceding Valuation Point and taking into account any subsequent changes to the fund capital due to the creation or cancellation of shares. The amount due for each month is payable on the last Dealing Day of each month. The current annual management charges for the Company (expressed as a percentage per annum of the Net Asset Value of the Company) is set out in Appendix I.

The ACD may increase the rate of such charge by giving 60 days' notice to Shareholders and amending this Prospectus. The ACD is responsible for the payment of the fees of the Investment Manager.

#### **7.2.2 Expenses**

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

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

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

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

### **7.3 Depositary's Fee and Expenses**

The Depositary receives for its own account a periodic fee which will accrue and is due monthly on the last Business Day in each calendar month in respect of that day and the period since the last Business Day in the preceding month and is payable as soon as practicable after it has accrued (and in any event within seven days after the day on which it accrues due). The fee is calculated by reference to the value of the Company on the last Business Day of the preceding month except for the first accrual, which is calculated by reference to the first Valuation Point of the Company. The fee is payable out of the property attributable to the Company.

The rate of the periodic fee is agreed between the ACD and the Depositary in relation to the Company, and subject to a minimum fee of £7,500 per annum, it is calculated on a sliding scale on the following basis:

- 0.01% per annum on the first £500 million of the Scheme Property
- 0.008% per annum of the balance

These rates can be varied from time to time in accordance with COLL.

Any material increase in the above rate may only be effected after 60 days' notice has been given to Shareholders and the Prospectus has been revised to reflect the new current rate and date of its commencement.

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

In addition to the periodic fees payable to the Depositary referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to the transaction handling and safekeeping of the Scheme Property as follows:

| Item                | Range                            |
|---------------------|----------------------------------|
| Transaction charges | £4.00 to £142.00 per transaction |
| Custody charges     | 0.0020% to 0.60%                 |

The remuneration for acting as custodian is calculated at such rate and/or amount as the ACD and the Depositary may agree from time to time. These charges vary from country to country depending on the markets and the type of transaction involved. The transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary. The above fees are subject to a minimum of £15,000 per fund, per annum.

Where relevant, the Depositary may make a charge for its services in relation to distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending transactions, in relation to the Company and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of COLL.

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

On a winding up of the Company, or the redemption of a Class of Shares, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up 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 agreement with the Depositary.

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

In such case such payments, expenses and disbursements may be payable to any person (including the ACD or an associate or nominee of the Depositary or of the ACD) who has the relevant duty delegated to it pursuant to COLL by the Depositary.

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

Further details of this agreement are summarised in paragraph 6.4.2 "Terms of Appointment" above.

#### 7.5 Administrator's Fee

The Administrator's fees and expenses in respect of fund accounting (plus any VAT thereon) will be paid by the ACD out of its remuneration under the ACD Agreement, with the exception of the services detailed in section 7.1, which the Company may pay out of the property of the Company.

#### 7.6 Registrar's Fee

The Registrar's fees (plus any VAT thereon) are payable out of the property of the Company and are allocated to each Share Class based on the value of each Share Class as a proportion of the Company value. The Registrar's fees are payable monthly in arrears and are subject to annual review subject to the agreement of the ACD.

These will include but are not limited to:

|                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Fund maintenance charge ( <i>includes the first 2 Share Classes per Company</i> )                                                                                                                                                                                                                                                               | £3,000 per Company, per annum                                                                                                                     |
| Share Class maintenance fee for each additional Share Class ( <i>for 3<sup>rd</sup> Share Class and above</i> ) per Company.                                                                                                                                                                                                                    | £1,000 per annum ( <i>for Share Classes launched pre August 2012</i> )<br>£1,500 per annum ( <i>for Share Classes launched post August 2012</i> ) |
| Investor account set up fee - Direct Investments                                                                                                                                                                                                                                                                                                | £18 per account                                                                                                                                   |
| Investor account set up fee - ISA accounts                                                                                                                                                                                                                                                                                                      | £15 per account                                                                                                                                   |
| Investor account maintenance/servicing fee - Direct Investments                                                                                                                                                                                                                                                                                 | £18 per investor account, per annum                                                                                                               |
| Investor account maintenance/servicing fee - ISA accounts                                                                                                                                                                                                                                                                                       | £15 per investor account, per annum                                                                                                               |
| Investor account maintenance/servicing fee - Withdrawal accounts                                                                                                                                                                                                                                                                                | £30 per investor account, per annum                                                                                                               |
| Pre-existing Investor Review ( <i>as a result of 'The International Tax Compliance Regulations'</i> )<br>Investor account additional maintenance/servicing fee (where necessary) - Direct Investments, ISA accounts and Withdrawal accounts:<br>Written communication to Investor<br>Outbound telephone call to Investor<br>Referral to the ACD | £5 per investor<br><br>£25 per letter<br>£30 per telephone call<br>£5 per referral                                                                |
| Investor transaction fee – automated transaction                                                                                                                                                                                                                                                                                                | £4 per transaction                                                                                                                                |

|                                                                                                                                                                                                                                                       |                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Investor transaction fee – manual transaction                                                                                                                                                                                                         | £13 per transaction                  |
| Special Deals <i>(including: ISA plan transfers, Transfers In/Out, Deceased, Cancellations, Voids, Amendments, Stock Transfers, Re-registrations, In-specie transfers, Conversion and switching, 3<sup>rd</sup> party transfers, Account closure)</i> | £25 per transaction                  |
| Company distribution fee <i>(includes the first 2 Share Classes per Company)</i>                                                                                                                                                                      | £1,500 per distribution, per Company |
| <ul style="list-style-type: none"> <li>Company distribution fee <i>(for any additional Share Classes)</i></li> </ul>                                                                                                                                  | £500 per distribution, per Company   |
| Management Accounts - provision of full account service <i>(includes the first 2 Share Classes per Company)</i>                                                                                                                                       | £3,500 per Company, per annum        |
| <ul style="list-style-type: none"> <li>Management Accounts <i>(for any additional Share Classes)</i></li> </ul>                                                                                                                                       | £500 per Company, per annum          |

## 7.7

### Research Costs

It is not intended that the ACD receives any third party research on behalf of the Company. Any third party research received by the Investment Manager, for or on behalf of, the Company will be paid for by the Investment Manager.

## **8 INSTRUMENT OF INCORPORATION**

The Instrument of Incorporation is available for inspection at the ACD's offices at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

## **9 SHAREHOLDER MEETINGS AND VOTING RIGHTS**

### **9.1 Class and Company Meetings**

In accordance with the OEIC Regulations, the ACD has elected to dispense with the holding of annual general meetings.

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

### **9.2 Requisitions of Meetings**

The ACD may requisition a general meeting at any time.

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

### **9.3 Notice and Quorum**

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

### **9.4 Voting Rights**

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

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

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

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

Except where the COLL Sourcebook or the Instrument of Incorporation require an extraordinary resolution (which needs at least 75% of the votes cast at the meeting to be in favour if the resolution is

to be passed) any resolution required by the COLL Sourcebook will be passed by a simple majority of the votes validly cast for and against the resolution.

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

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

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

#### **9.5 Variation of Class Rights**

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

#### **9.6 Share Capital**

- (a) The Company may from time to time issue Shares of different Classes, and the Directors may by resolution from time to time create additional Classes in respect of a Company (whether or not falling within one of the Classes in existence on incorporation).
- (b) The special rights attaching to a Class are not (unless otherwise expressly provided by the conditions of issue of such Shares) deemed to be varied by:
  - (i) the creation, allotment or issue of further Shares of any Class ranking *pari passu* with them;
  - (ii) the switch of Shares of any Class into Shares of another Class; or
  - (iii) the creation, allotment, issue or redemption of Shares of another Class within the Company, provided that the interests of that other Class in the Company represent fairly the financial, contributions and benefits of Shareholders of that Class;
  - (iv) the creation, allotment, issue or redemption of Shares of another Fund;
  - (v) the exercise by the ACD of its powers to re-allocate assets, liabilities, expenses, costs or changes not attributable to one Fund or to terminate a Fund; or
  - (vi) the passing of any resolution at a meeting of another Fund which does not relate to the Fund in which the Class is interested.



## **9.7 Transfer of Shares**

A Shareholder is entitled (subject to as mentioned below) to transfer Shares which must be effected by transfer in writing in any usual or common form or in any other form as may be approved by ACD. The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered into the Register.

- (a) No instrument of transfer may be given in respect of more than one Class.
- (b) In the case of a transfer to joint holders, the number of joint holders to whom Shares are to be transferred may not exceed four.
- (c) The ACD is not obliged to accept a transfer if it would result in the holder, or transferee, holding less than the minimum holding of Shares in the Class in question.

The Company or the Registrar may require the payment of such reasonable fee as the ACD and the Company may agree for the registration of any grant of probate, letters of administration or any other documents relating to or affecting the title to any Share.

## **9.8 Number of Directors**

Unless otherwise determined by an extraordinary resolution of Shareholders the number of Directors shall not at any time exceed one.

## **9.9 Removal of ACD**

The Company may, by ordinary resolution, remove the ACD before the expiration of its period of office, notwithstanding anything in the Company's Instrument or in any agreement between the Company and the ACD, but the removal will not take effect until the FCA have approved it and a new ACD, approved by the FCA has been appointed.

## **9.10 Proceedings at General Meetings**

The Depositary shall nominate the chairman of a general meeting. If the nominated chairman is not present or declines to take the chair, the Shareholders may choose one of their number to be chairman.

The chairman of any quorate meeting may with the consent of the meeting adjourn the meeting from time to time (or without date) and from place to place, and if he is directed by the meeting to adjourn, he must do so. No business can be transacted at an adjourned meeting which might not lawfully have been transacted at the meeting from which the adjournment took place.

The Shareholders have rights under COLL to demand a poll. In addition to these, a poll may be demanded by the chairman of the meeting or by the ACD on any resolution put to the vote of a general meeting.

Unless a poll is required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book or computer

record of proceedings will be conclusive evidence of that fact. If a poll is required, it shall be taken in such manner as the chairman may direct.

The chairman may take any action he considers appropriate for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

#### **9.11 Corporations Acting by Representatives**

Any corporation which is a Shareholder may by resolution of its Directors or any governing body and in respect of any Share or Shares of which it is the holder authorise such individual as it thinks fit to act as its representative at any general meeting of the Shareholders or of any Class meeting. The individual so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise in respect of such Share or Shares if it were an individual Shareholder.

Any corporation which is a Director of the Company may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any general meeting of the Shareholders or of any Class meeting of the Directors. The person so authorised shall be entitled to exercise the same powers at such meeting on behalf of such corporation as the corporation could exercise if it were an individual Director.

#### **9.12 Powers of a Shareholders' Meeting**

The ACD must, by way of an extraordinary resolution (i.e. a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast), obtain prior approval from the Shareholders (or, where applicable, Class of Shareholders) for any proposed change to the Company which, in accordance with COLL, is a fundamental change. Such a fundamental change is likely to include:

- a) certain changes to the investment objective and policy of the Company;
- b) the removal of the ACD;
- c) any proposal for a scheme of arrangement.

Other provisions of the Company's Instrument and the Prospectus may be changed by the ACD without the sanction of a Shareholders' meeting in accordance with COLL.

## 10. **TAXATION**

### 10.1 **General**

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs ("HMRC") practice, all of which are subject to change. It summarises the tax position of the Company and of Shareholders who are United Kingdom resident individuals or companies, and hold Shares as investments. The information given under this heading does not constitute legal or tax advice and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, converting, or disposing of Shares under the laws of the jurisdiction in which they are resident, or treated as resident, for tax purposes.

The Government is responsible for setting tax rates and allowances, which are subject to change periodically.

Investors should be aware that such changes can impact their tax position. As stated, investors are advised to stay informed about current tax legislation and consult with a tax advisor for bespoke advice on their own particular circumstances.

### 10.2 **The Company**

The Company is exempt from UK tax on dividends received from UK companies and overseas companies (subject to certain conditions). The Company can choose to elect to tax particular overseas dividends it receives and, where it makes such an election, these dividends will be included in the taxable income of the Company. Most other sources of income (e.g. interest income) will also constitute taxable income of the Company. The Company will be subject to corporation tax on its taxable income after deducting allowable expenses and interest distributions (see below) and subject to any relief for some or all of any foreign tax suffered in respect of that taxable income.

Capital gains and losses on creditor relationships (e.g. loan stocks, corporate bonds, gilts) will not be taxable if they are included in the accounts as 'net gains/losses on investments' or 'other gains/losses'.

Capital gains realised on the disposal of the investments held by the Company are not subject to UK corporation tax. However, in certain circumstances, income may be deemed to arise for tax purposes in respect of investments (e.g. interests in limited partnerships and material interests in offshore funds) notwithstanding that the income concerned has not been received as such by the Company.

There is no specific exemption from UK stamp taxes (i.e. stamp duty or stamp duty reserve tax ("SDRT")) for the Company. Broadly speaking, stamp duty is paid on transactions involving stock or marketable securities, and the rate is 0.5% of the amount paid for the stock or securities (rounded up to the nearest £5). There is no stamp duty and/or SDRT liability on amounts paid for any Shares redeemed by the Company. A charge may apply for certain in specie redemptions. The Company may incur similar taxes in another jurisdiction if it carries out transactions involving that jurisdiction.

### 10.3 **Shareholders**

Allocations of income to Shareholders are treated as taxable distributions, regardless of whether the income is retained within the Company or actually paid to Shareholders.

### 10.3.1 **Income – Dividend Distributions**

Any dividend distribution made by the Company to an individual Shareholder will be treated as if it were a dividend from a UK company. No deduction of UK income tax is made from a dividend distribution. Individual UK resident Shareholders will be subject to UK income tax at their normal rate, subject to any exempt income received within an individual's dividend allowance, and it is recommended that specific tax advice is taken in respect of rates and other details that may relate to this allowance.

Dividend income in excess of any dividend allowance applying is currently taxed at different marginal rates for basic rate taxpayers, higher rate taxpayers and additional rate taxpayers.

Corporate Shareholders within the charge to UK corporation tax will receive this income distribution as dividend income to the extent that the distribution relates to underlying dividend income (before deduction of expenses, but net of UK corporation tax (if any)) for the period in respect of which the distribution is made. Subject to certain conditions, this dividend income should normally be exempt from UK corporation tax. Any part of the distribution which is not received as dividend income is deemed to be an annual payment subject to UK corporation tax in the hands of the corporate Shareholder.

### 10.3.2 **Income – Interest Distributions**

Where over 60% of the market value of the Company's investments are "qualifying investments" (broadly, interest generating assets), the Company may make an interest distribution instead of a dividend distribution. The amount of the interest distribution is deductible in computing the Company's income for corporation tax purposes and such funds making interest distributions are classified for taxation purposes as "bond funds".

Interest distributions made by the Company to UK resident shareholders will not be paid subject to the deduction of UK income tax.

Individual UK resident Shareholders will be subject to UK income tax at their normal rate, subject to any income received within an individual's personal savings allowance, and again, it is recommended that specific tax advice is taken in respect of rates and other details that may relate to this allowance.

UK resident corporate Shareholders are subject to UK corporation tax on gross interest distributions, whether paid or allocated to them.

### 10.3.3 **Income Equalisation**

The first income allocation received by a Shareholder after buying Shares may include an amount of income equalisation, which will be shown on the issued tax voucher. This is effectively a repayment of the income equalisation paid by the

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

#### 10.3.4 **Tax Vouchers**

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

The ACD reserves the right to charge an administration fee if a duplicate copy is required. To obtain a duplicate copy you will need to submit your request in writing, along with payment, to Waystone Management (UK) Limited, Distributions Team, at the address of the Registrar.

#### 10.3.5 **Capital Gains**

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax or, where the Shareholder is a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of Shares. It is not expected that Conversions between Classes should give rise to such tax, provided that no consideration is given or received other than the Shares being Converted, and the Conversion is being effected for bona fide commercial reasons and does not form part of a tax avoidance scheme.

Capital gains made by individual Shareholders on disposals from all chargeable sources of investment will be free of tax if the net gain (after deduction of allowable losses suffered in the same tax year) falls within an individual's annual capital gains exemption. An individual's net chargeable gains are currently taxed at 10% if the individual's total chargeable gains do not exceed the upper limit of the income tax basic rate band, and at 20% if the total chargeable gains exceed that limit (different rates apply for investments in residential property and carried interest arrangements).

Relevant shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares in their taxable profits. The amount chargeable will be reduced by an indexation allowance.

Special provisions apply to a UK corporate Shareholder which invests in a bond fund (see above). Where this is the case, the corporate Shareholder's Shares are treated for tax purposes as rights under a creditor loan relationship. This means that the increase or decrease in value of the Shares during each accounting period of the corporate Shareholder is treated as a loan relationship credit or debit, as appropriate, and constitutes income (as opposed to a capital gain) for tax purposes and, as such, is taxed in the year that it arises.

The amount representing the income equalisation element of the Share price is a return of capital and is not taxable as income in the hands of Shareholders. This

amount should be deducted from the cost of Shares in computing any capital gain realised on a subsequent disposal.

#### **10.3.6 Provision of Tax Advice for Investors**

It should be noted that the Authorised Corporate Director (ACD) of this fund, being Waystone Management (UK) Limited, does not provide taxation advice of any description for any relevant jurisdiction to any of the fund's investors.

As such, any information provided in the taxation section should not be relied upon by the fund's investors as the basis for any investment or other decision relating to the investor's current or future holding in the fund and it is strongly recommended that investors obtain their own tax advice as to how their own specific circumstances are affected by the taxation information provided.

#### **These details are provided for information purposes only**

### **10.4 Reporting of tax information**

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

The International Tax Compliance Regulations 2015 give effect to reporting obligations under the Organisation for Economic Co-Operation and Development's Common Reporting Standard for the Automatic Exchange of Financial Account Information (the "CRS") and in accordance with an intergovernmental agreement between the US and the UK in relation to the US Foreign Account Tax Compliance Act ("FATCA")

#### **10.4.1 US Foreign Account Tax Compliance**

Due to US tax legislation (the Foreign Account Tax Compliance Act, "FATCA"), which can affect financial institutions such as the Company, the Company may need to disclose to HM Revenue and Customs ("HMRC") \* the name, address and taxpayer identification number relating to certain US investors who fall within the definition of "Specified US Person" in FATCA that own, directly or indirectly, an interest in certain entities, as well as certain other information relating to such interest. HMRC will in turn exchange this information with the Internal Revenue Service ("IRS") of the United States of America.

(\*The UK has entered into an inter-governmental agreement ("IGA") with the US to facilitate FATCA compliance. Under this IGA, FATCA compliance will be enforced under UK tax legislation and reporting).

While the Company shall use reasonable endeavours to cause the Company to avoid the imposition of US federal withholding tax under FATCA, the extent to which the Company is able to do so and report to HMRC will depend on each affected Shareholder in the Company providing the Company or its delegate with any information that the Company determines is necessary to satisfy such

obligations. The 30% withholding tax regime could apply if there is a failure by Shareholders to provide certain required information.

By signing the application form to subscribe for Shares in the Company, each affected Shareholder is agreeing to provide such information upon request from the Company or its delegate. The Company may exercise its right to completely redeem the holding of an affected Shareholder (at any time upon any or no notice) if he fails to provide the Company with the information the Company requests to satisfy its obligations under FATCA.

#### 10.4.2 **Other Reporting to Tax Authorities**

The UK and a number of other jurisdictions have also agreed to enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information (“CRS”) published by the Organisation for Economic Co-operation and Development (“OECD”). This allows for the automatic exchange of financial information between tax authorities. These agreements and arrangements, as transposed into UK law, may require the Company, as a UK Financial Institution, (or the ACD/Manager on its behalf) to provide certain information to HMRC about investors from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities).

Two UK corporate criminal offences for failure to prevent the facilitation of tax evasion (“Facilitation Offences”) were created by the Criminal Finances Act 2017. The offences came into force on 30 September 2017. The Facilitation Offences impose criminal liability on a company or a partnership (a “Relevant Body”) if it fails to prevent the criminal facilitation of tax evasion by a “person associated” with the Relevant Body. There is a defence to the charge if the Relevant Body can show that it had in place “reasonable prevention procedures” at the time the facilitation took place.

In light of the above, Shareholders in the Company and, in some cases their financial intermediaries, may be required to provide certain information (including personal information) to the ACD/Manager to enable the Company to comply with the terms of the UK law. Where a Shareholder fails to provide any requested information (regardless of the consequences), the Company reserves the right to take any action and/or pursue all remedies at its disposal to avoid any resulting sanctions including, without limitation, compulsory redemption or withdrawal of the Shareholder concerned.

**The foregoing statements are based on UK law and HMRC practice as known at the date of this Prospectus and are intended to provide general guidance only. These statements relate only to Shareholders that are resident in the UK for tax purposes and beneficially hold their Shares as an investment. The tax position may be different for other Shareholders, and certain types of Shareholder (such as life insurance companies) may be subject to specific rules. Shareholders and applicants for Shares are recommended to consult**

**their tax advisors regarding the possible implications of these rules on their investments in any Fund.**



## 11. WINDING UP OF THE COMPANY

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

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

The Company shall be wound up under the COLL Sourcebook:

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

On the occurrence of any of the above:

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

The ACD shall, as soon as practicable after the Company falls to be wound up, realise the assets and meet the liabilities of the Company and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property. If the ACD has not previously notified Shareholders of the proposal to wind up the Company the ACD shall, as soon as practicable after the commencement of winding up of the Company give

written notice of the commencement to Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company.

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

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

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

## **12. GENERAL INFORMATION**

### **12.1 Accounting Periods**

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

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

### **12.2 Notice to Shareholders**

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

### **12.3 Income Allocations**

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

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

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

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

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

### **12.4 Annual Reports**

Annual reports of the Company will be published within four months of the end of each annual accounting period and half-yearly reports will be published within two months of the end of each half-yearly interim accounting period.

Copies of the most recent annual and half-yearly reports of the Company can be obtained free of charge from the ACD or are available on [www.waystone.com](http://www.waystone.com).

### **12.5 Documents of the Company**

The following documents may be inspected free of charge during normal business hours on any Business Day at the offices of the ACD at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL:

- 12.5.1 the most recent annual and half-yearly reports of the Company;
- 12.5.2 this Prospectus or the most recent version of this Prospectus;
- 12.5.3 the Instrument of Incorporation (and any amending documents); and
- 12.5.4 the material contracts referred to below.

In addition, most of these documents are available at [www.waystone.com](http://www.waystone.com). Shareholders may obtain copies of the above documents from the ACD. The ACD may make a charge at its discretion for copies of documents (apart from the most recent versions of the Prospectus and annual and half-yearly reports of the Company which are available free of charge to anyone who requests).

## **12.6 Material Contracts**

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

- 12.6.1 the ACD Agreement dated 18<sup>th</sup> December between the Company and the ACD;
- 12.6.2 the Depositary Agreement dated 27 November 2020 between the Company, the Depositary and the ACD, as amended and novated on the 8 October 2021 and then as further amended and novated on the 11 December 2023; and
- 12.6.3 the Investment Management Agreement dated 18<sup>th</sup> December between the ACD, Investment Manager and the Company.

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

## **12.7 Provision of Investment Advice**

All information concerning the Company and about investing in Shares of the Company is available from the ACD at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and Shareholders should ensure that they have the most up to date version.

## **12.8 Telephone Recordings**

Please note that the ACD and the Investment Manager will take all reasonable steps to record telephone conversations, and keep a copy of electronic communications, that relate to instructions to deal in the Company or the management of the assets of the Company. The ACD may also record calls for security, training and monitoring purposes, to confirm Shareholders' instructions and for any other regulatory reason. Recordings will be retained for a period of at least five years from the date of such recording or, where requested by a competent authority, for a period of seven years.

## 12.9 Treating Customers Fairly

The ACD seeks to ensure that its customers are treated fairly at all times. This objective is embedded in the operations and culture of the firm and is considered and delivered at every level and kept under review, which also ensures compliance with certain FCA Principles for Firms (as stated in PRIN 2.1 of the FCA's Principle for Business sourcebook). The ACD has the appropriate policies and procedures in place to ensure it provides fair treatment to investors and details are available on the ACD's website and copies of the policy are available upon request.

## 12.10 Complaints

All complaints will be handled in accordance with the ACD's internal complaint handling procedures. A copy of the ACD's guide to making a complaint is available on the Waystone Management (UK) Limited website at [www.waystone.com](http://www.waystone.com).

In the event that an unsatisfactory response is provided, you can refer your complaint to the Financial Ombudsman Service at: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Information about the Financial Ombudsman can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

In the event of the ACD being unable to meet its liabilities to Shareholders, details about rights to compensation can be found at [www.fscs.org.uk](http://www.fscs.org.uk). The ACD is covered by the Financial Services Compensation Scheme (FSCS) which has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The scheme covers an amount equal to 100% of the first £85,000 owed to you. You can find out more information on compensation arrangements by visiting [www.fscs.org.uk](http://www.fscs.org.uk), calling 0800 678 1100 or 020 7741 4100, or by writing to Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

## 12.11 Risk Management

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

- 12.11.1 the quantitative limits applying in the risk management of the Company;
- 12.11.2 the methods used in relation to 12.11.1; and
- 12.11.3 any recent development of the risk and yields of the main categories of investment.

## 12.12 Indemnity

The Instrument of Incorporation contains provisions indemnifying the Directors, other officers and the Auditors or the Depositary against liability in certain circumstances otherwise than in respect of their negligence, default, breach of duty or breach of trust, and indemnifying the Depositary against liability in certain circumstances otherwise than in respect of its failure to exercise due care and diligence in the discharge of its functions in respect of the Company. The ACD has in place insurance for the benefit of any director, other officer or auditor of the Company against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation

to the Company, and for the benefit of the Depositary against any liability for any failure to exercise due care and diligence in the discharge of his functions in respect of the Company.

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

The ACD has a strategy for determining when and how voting rights attached to ownership of the Scheme Property are to be exercised for the benefit of the Company. A summary of this strategy is available from the ACD on request. Voting records and further details of the actions taken on the basis of this strategy in relation to each Company are available free of charge from the ACD on request.

#### **12.14 Best Execution**

The ACD expects the Investment Manager to act in the best interest of the Company when executing decisions to deal on behalf of the Company. The ACD's best execution policy sets out the factors, such as price and costs, which the ACD will consider, and which the ACD expects the Investment Manager to consider, as applicable when effecting transactions and placing orders in relation to the Company. This policy has been developed in accordance with the ACD's obligations under the Regulations to ensure that when decisions to deal on behalf of the Company are executed all sufficient steps are taken to obtain the best possible result for the Company.

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

#### **12.15 Value Assessment**

In accordance with current Financial Conduct Authority rules, the ACD is required to carry out an annual assessment on whether the Company provides value to investors. The assessment of value looks at a number of criteria relating to; investment performance, costs and quality of service and will determine whether each Sub-fund offers value to investors compared with the market or whether corrective action is required.

A report detailing the findings of the value assessment will be published on the ACD's website at [www.waystone.com](http://www.waystone.com).

#### **12.16 Data Protection**

The use of personal data is covered by the ACD's registration as a "data controller" under the Data Protection Laws. Any personal data provided by the Shareholders is on a contractual basis and will be used to enable the ACD to provide the services as set out in this Prospectus.

Shareholder personal data will be stored and processed by computer systems within the UK so that the ACD can provide the services required. Such information may be passed on to third party service providers and other counterparties, such as Depositary, Auditors, Legal Advisors, used by the ACD in relation to provision of the services to the Company; where these third party providers and other counterparties may be outside of the EEA or international organisations, the ACD will ensure that all overseas transfers are subject to appropriate safeguards such as data encryption and applicable data protection laws or enforceable contracts.

Primarily the Shareholder personal data will be held by the ACD and the Administrator and will be subject to data processing. The ACD and the Administrator will keep the personal data for up to 7 years after the Fund has ended, or up to 7 years after the earlier end of the Fund's contractual relationship with the ACD, for regulatory and legal purposes.

Shareholder personal data may be disclosed to external parties such as the Fund's Sponsor, the Fund's authorised distributors or the ACD's group companies and affiliates as necessary for the provision of enhanced Shareholders' related services and (subject to the application of the local laws/and or regulations) be used outside the UK and may therefore be potentially subject to the scrutiny of regulatory and tax authorities outside the UK. A full list of the Fund's Sponsors, authorised distributors and the ACD's group companies and affiliates is available from the ACD on request.

Shareholders may contact the ACD in writing to Waystone Management (UK) Limited, 3<sup>rd</sup> Floor Central Square, 29 Wellington Street, Leeds, United Kingdom LS1 4DL or by calling 020 3997 2460 to correct their personal data or, obtain a copy of their personal data held by the ACD, object to the processing, request restriction of processing, exercise their right to data portability, request an erasure or request information pertaining to automated decision making. Shareholders should note that so the ACD can fulfil their contractual obligation, Shareholders' personal data cannot be deleted for up to 7 years after the Fund has ended, or up to 7 years after the earlier end of the Fund's contractual relationship with the ACD.

To assist in confirming a potential shareholder's identity, the ACD may make searches with credit reference agency, SmartCheck, giving required categories of Shareholder's personal data (this is name, address, NI number), who will supply the ACD with credit information, as well as information from other sources such as the UK electoral register. Some of the data transfers to the credit reference agency will be overseas. The ACD has a regulatory obligation and a legitimate interest to conduct these searches. The ACD will retain any detail information where required only to the point necessary to make decision.

If you have a complaint you may write to Waystone Management (UK) Limited, Sunderland, SR43 4JQ, email to [waystone\\_enquiries@ntrs.com](mailto:waystone_enquiries@ntrs.com) or call 0333 3000363. If we are unable to resolve your complaint pertaining to your data, you can lodge a complaint with the Information Commissioner here at [www.ico.org.uk](http://www.ico.org.uk).

For further information on the ACD's arrangements relating to personal data protection, please refer to the Privacy Policy published on the ACD's website [www.waystone.com](http://www.waystone.com).

## APPENDIX I

### COMPANY DETAILS

|                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name:</b>                            | <b>WS AVI Worldwide Opportunities Fund</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Product Reference Number:</b>        | 407769                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Type of Scheme:</b>                  | UK UCITS scheme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Investment Objective:</b>            | The objective of the Fund is to provide capital growth over the long-term, being five years or more. Five years is also the minimum recommended period for holding shares in this Fund. This does not mean that the Fund will achieve the objective over this, or any other, specific time period and there is a risk of loss to the original capital invested.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Investment Policy:</b>               | <p>The Investment Manager aims to achieve the objective of the fund by investing in a range of investment companies. These include but are not limited to; closed end investment companies, investment trusts and real estate investment trusts. The manager can also invest in collective investment schemes including open ended investment companies.</p> <p>The investments will be across a broad range of asset classes including fixed income (including bonds issued by governments and companies), convertible bonds (bonds that can convert into company shares), company shares and property company shares (including real estate investment trusts).</p> <p>The Investment Manager may also take exposure in other asset classes, which may include commodities (such as gold and timber), private equity (through listed investments), hedge funds and specialist financial assets (such as loans and insurance policies). Exposure will be obtained through UCITS eligible collective investment schemes or other investment companies</p> <p>Up to 20% of the Fund may be invested in cash and near cash. The Fund may invest in collective investment schemes managed or advised by the Investment Manager.</p> <p>The Fund may invest in derivatives and forward transactions (these are contracts whose value is based on the change in price of an underlying investment) for the purpose of efficient portfolio management, including hedging (hedging is designed to offset the risk of another investment falling in price).</p> |
| <b>Comparator Index:</b>                | IA Flexible Investment Sector                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Information Regarding benchmark:</b> | The Company's performance may be compared against the IA Flexible Investment Sector. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers). The comparator benchmark has been selected as we consider it assists investors in evaluating the Company's performance against the performance of other funds invested in similar assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Final accounting date:</b>           | 30 June                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Interim accounting date:</b>         | 31 December                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Income distribution dates:</b>       | On or before 31 August (final)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



|                                                     |                                                 |                |
|-----------------------------------------------------|-------------------------------------------------|----------------|
|                                                     | On or before the last day of February (interim) |                |
| <b>Shares Classes and type of Shares:</b>           | Class B Accumulation                            |                |
| <b>Initial charge:</b>                              | 1%                                              |                |
| <b>Redemption charge:</b>                           | Nil                                             |                |
| <b>Allocation of charges:</b>                       | <b>Income</b>                                   | <b>Capital</b> |
| <b>AMC</b>                                          | 100%                                            |                |
| <b>Administration</b>                               | 100%                                            |                |
| <b>Ongoing operating costs</b>                      | 100%                                            |                |
| <b>Dealing and registration</b>                     | 100%                                            |                |
| <b>Depository</b>                                   | 100%                                            |                |
| <b>Custody</b>                                      | 100%                                            |                |
| <b>Portfolio transactions (broker's commission)</b> |                                                 | 100%           |
| <b>Annual Management Charge:</b>                    | 0.75%                                           |                |
| <b>Charges taken from Income:</b>                   | Yes                                             |                |

|                                                          |                                                       |
|----------------------------------------------------------|-------------------------------------------------------|
| <b>Investment minima*:</b>                               | Class B Accumulation                                  |
| <b>Lump sum</b>                                          | £1,000                                                |
| <b>Holding</b>                                           | £1,000                                                |
| <b>Top-up</b>                                            | £1,000                                                |
| <b>Regular Savings Plan</b>                              | £50 per month                                         |
| <b>Redemption</b>                                        | N/A (provided minimum holding is maintained)          |
| <b>Past performance:</b>                                 | Past performance information is set out in Appendix V |
| *The ACD may waive the minimum levels at its discretion. |                                                       |

## APPENDIX II

### ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

#### Eligible Securities Markets:

All regulated markets (as defined in the glossary to the FCA Handbook) or markets established in the UK or an EEA State which are regulated, operate regularly and are open to the public.

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

|                          |                                                |
|--------------------------|------------------------------------------------|
| Australia                | Australian Securities Exchange                 |
| Canada                   | Toronto Stock Exchange<br>TSX Venture Exchange |
| Hong Kong                | Hong Kong Exchanges and Clearing Limited       |
| Japan                    | Tokyo Stock Exchange                           |
| New Zealand              | NZX Limited                                    |
| Singapore                | Singapore Exchange                             |
| Switzerland              | SIX Swiss Exchange                             |
| United Kingdom           | London Stock Exchange                          |
| United States of America | New York Stock Exchange<br>NASDAQ Stock Market |

#### Eligible Derivative Markets:

Any eligible derivatives market which is a “regulated market” or a market in the UK or EEA which is regulated, operates regularly and is open to the public, and any of the following markets:

|                |                      |
|----------------|----------------------|
| Japan          | Tokyo Stock Exchange |
| United Kingdom | ICE Futures Exchange |

## APPENDIX III

### INVESTMENT AND BORROWING POWERS OF THE COMPANY

#### 1. General

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

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

The Company will not maintain an interest in any immovable property or moveable property for the direct pursuit of the ICVC's business.

#### 1.1 Prudent spread of risk

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

#### 1.2 Cover

1.2.1 Where COLL 5 allows a transaction to be entered into or an investment to be retained only (for example, investment in nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Company under any other of those rules has also to be provided for.

1.2.2 Where COLL 5 permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

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

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

#### 2. UK UCITS Schemes - general

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

2.1.1 transferable securities;

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

### 3. **Transferable Securities**

- 3.1 A transferable security is an investment falling within article 76 (Shares etc.), article 77 (instruments creating or acknowledging indebtedness), article 77A (alternative debentures), article 78 (government and public securities), article 79 (instruments giving entitlement to investments) and article 80 (certificates representing certain securities) of the Regulated Activities Order.
- 3.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 3.3 In applying paragraph 3.2 of this Appendix to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (Shares, etc.) or 77 (instruments creating or acknowledging indebtedness) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 3.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.
- 3.5 The Company may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
  - 3.5.1 the potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 3.5.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder under the FCA Handbook;
  - 3.5.3 reliable valuation is available for it as follows:
    - 3.5.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
    - 3.5.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a

periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;

3.5.4 appropriate information is available for it as follows:

3.5.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;

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

3.5.5 it is negotiable; and

3.5.6 its risks are adequately captured by the risk management process of the ACD.

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

3.6.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and

3.6.2 to be negotiable.

3.7 No more than 5% of the Scheme Property may be invested in warrants.

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

4.1 A unit or a share in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Company, provided it fulfils the criteria for transferable securities set out in paragraph 3.5 and either:

4.1.1 where the closed end fund is constituted as an investment company or a unit trust:

4.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

4.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or

- 4.1.2 where the closed end fund is constituted under the law of contract:
  - 4.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
  - 4.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

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

- 5.1 The Company may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Company provided the investment:
  - 5.1.1 fulfils the criteria for transferable securities set out in 3.5 above; and
  - 5.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Company can invest.
- 5.2 Where an investment in 5.1 contains an embedded derivative component, the requirements of this section with respect to derivatives and forwards will apply to that component.

## 6. **Approved Money-Market Instruments**

- 6.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money-market, is liquid and has a value which can be accurately determined at any time.
- 6.2 A money-market instrument shall be regarded as normally dealt in on the money-market if it:
  - 6.2.1 has a maturity at issuance of up to and including 397 days;
  - 6.2.2 has a residual maturity of up to and including 397 days;
  - 6.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or
  - 6.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 6.2.1 or 6.2.2 or is subject to yield adjustments as set out in 6.2.3.
- 6.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder.
- 6.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:

- 6.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the Scheme Property could be exchanged between knowledgeable willing parties in an arm's length transaction; and
  - 6.4.2 based either on market data or on valuation models including systems based on amortised costs.
- 6.5 A money-market instrument that is normally dealt in on the money-market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.
- 7. **Transferable securities and money-market instruments generally to be admitted or dealt in on an Eligible Market**
- 7.1 Transferable securities and approved money-market instruments held within the Company must be:
  - 7.1.1 admitted to or dealt in on an eligible market as described in 8.3.1; or
  - 7.1.2 dealt in on an eligible market as described in 8.3.2; or
  - 7.1.3 admitted to or dealt in on an eligible market as described in 8.4; or
  - 7.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 9.1; or
  - 7.1.5 recently issued transferable securities provided that:
    - 7.1.5.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and
    - 7.1.5.2 such admission is secured within a year of issue.
- 7.2 However, the Company may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in 7.1.
- 8. **Eligible markets regime: purpose and requirements**
- 8.1 To protect Shareholders the markets on which investments of the Company are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold.
- 8.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in 7.2 above on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

- 8.3 A market is eligible for the purposes of the rules if it is:
- 8.3.1 a regulated market as defined in the FCA Handbook; or
  - 8.3.2 a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or
  - 8.3.3 a market in paragraph 8.4 of this Appendix.
- 8.4 A market falling within paragraph 8.3.3 of this Appendix is eligible for the purposes of COLL 5 if:
- 8.4.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;
  - 8.4.2 the market is included in a list in the prospectus; and
  - 8.4.3 the Depositary has taken reasonable care to determine that:
    - 8.4.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and
    - 8.4.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 8.5 In paragraph 8.4.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of Shareholders.
- 8.6 The Eligible Markets for the Company are set out in Appendix II.
9. **Money-market instruments with a regulated issuer**
- 9.1 In addition to instruments admitted to or dealt in on an eligible market, the Company may invest in an approved money-market instrument provided it fulfils the following requirements:
- 9.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and
  - 9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (Issuers and guarantors of money-market instruments) below.
- 9.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting Shareholders and savings if:
- 9.2.1 the instrument is an approved money-market instrument;



- 9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (Appropriate information for money-market instruments) below; and
  - 9.2.3 the instrument is freely transferable.
10. **Issuers and guarantors of money-market instruments**
- 10.1 The Company may invest in an approved money-market instrument if it is:
- 10.1.1 issued or guaranteed by any one of the following:
    - 10.1.1.1 a central authority of the UK, an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
    - 10.1.1.2 a regional or local authority of the UK or an EEA State;
    - 10.1.1.3 the Bank of England, the European Central Bank or a central bank of an EEA State;
    - 10.1.1.4 the European Union or the European Investment Bank;
    - 10.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;
    - 10.1.1.6 a public international body to which the UK or one or more EEA States belong; or
  - 10.1.2 issued by a body, any securities of which are dealt in on an eligible market; or
  - 10.1.3 issued or guaranteed by an establishment which is:
    - 10.1.3.1 subject to prudential supervision in accordance with criteria defined by UK or EU law; or
    - 10.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU law.
- 10.2 An establishment shall be considered to satisfy the requirement in 10.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
- 10.2.1 it is located in the UK or European Economic Area;
  - 10.2.2 it is located in an OECD country belonging to the Group of Ten;

- 10.2.3 it has at least investment grade rating;
- 10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by EU law.

## 11. **Appropriate information for money-market instruments**

11.1 In the case of an approved money-market instrument within 10.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 but is not guaranteed by a central authority within 10.1.1.1, the following information must be available:

- 11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
- 11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
- 11.1.3 available and reliable statistics on the issue or the issuance programme.

11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 10.1.3, the following information must be available:

- 11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
- 11.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
- 11.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

11.3 In the case of an approved money-market instrument:

- 11.3.1 within 10.1.1.1, 10.1.1.4 or 10.1.1.5; or
- 11.3.2 which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 and is guaranteed by a central authority within 10.1.1.1;

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

## 12. **Spread: general**

12.1 This rule on spread does not apply in respect of a transferable security or an approved

money-market instrument to which COLL 5.2.12R (Spread: government and public securities) applies.

- 12.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with section 399 of Companies Act 2006, Directive 2013/34/EU or in the same group in accordance with international accounting standards are regarded as a single body.
- 12.3 Not more than 20% in the value of the Scheme Property is to consist of deposits with a single body.
- 12.4 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money-market instruments issued by any single body, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.
- 12.5 The limit of 5% in 12.4 is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when the Company invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property.
- 12.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.
- 12.7 Not more than 20% in value of the Scheme Property is to consist of transferable securities and approved money-market instruments issued by the same group.
- 12.8 COLL 5 provides that not more than 20% in value of the Scheme Property is to consist of the units of any one collective investment scheme.
- 12.9 COLL 5 provides that in applying the limits in 12.3, 12.4 and 12.6 in relation to a single body, and subject to 12.5, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:
  - 12.9.1 transferable securities (including covered bonds) or approved money-market instruments issued by that body;
  - 12.9.2 deposits made with that body; or
  - 12.9.3 exposures from OTC derivatives transactions made with that body.
- 13. **Counterparty risk and issuer concentration**
  - 13.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 12.6 and 12.9 above.

- 13.2 When calculating the exposure of the Company to a counterparty in accordance with the limits in paragraph 12.6 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 13.3 The ACD may net the OTC derivative positions of the Company with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Company.
- 13.4 The netting agreements in paragraph 13.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Company may have with that same counterparty.
- 13.5 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.
- 13.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 13.8 when it passes collateral to an OTC counterparty on behalf of the Company.
- 13.7 Collateral passed in accordance with paragraph 13.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Company.
- 13.8 The ACD must calculate the issuer concentration limits referred to in paragraph 12.6 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.
- 13.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 12.6 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.
14. **Spread: government and public securities**
- 14.1 The following section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued by:
- 14.1.1 the UK or an EEA State;
  - 14.1.2 a local authority of the UK or an EEA State;
  - 14.1.3 a non-EEA State; or
  - 14.1.4 a public international body to which one or more EEA States belong.
- 14.2 Where no more than 35% in value of the Scheme Property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

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

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

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

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

14.3.4 the disclosures in COLL 3.2.6R(8) (Table: contents of the instrument constituting the fund) and COLL 4.2.5R(3)(i) (Table: contents of the prospectus) have been made.

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

14.5 Notwithstanding 12.1 and subject to 14.2 and 14.3 above, in applying the 20% limit in paragraph 12.9 with respect to a single body, such securities issued by that body shall be taken into account.

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

15.1 The Company may be fully invested in units or shares in other collective investment schemes ("Second Scheme") provided the Second Scheme satisfies all of the following conditions and provided that no more than 30% in value of the Scheme Property is invested in Second Schemes within 15.1.1.2 - 15.1.1.5 below.

15.1.1 The Second Scheme must:

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

15.1.1.2 be a recognised scheme which is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man, provided it meets the requirements of COLL 5.2.13AR; or

- 15.1.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR (1), (3) and (4) are met);
- 15.1.1.4 be authorised in another EEA State provided the requirements of COLL 5.2.13AR are met; or
- 15.1.1.5 be authorised by the competent authority of an OECD member country (other than another EEA State) which has:
  - (a) signed the IOSCO Multilateral Memorandum of Understanding; and
  - (b) approved the Second Scheme's management company, rules and depositary/custody arrangements;

(provided the requirements of COLL 5.2.13AR are met).
- 15.1.2 The Second Scheme has terms which prohibit more than 10% in value of the Scheme Property consisting of units in collective investment schemes. Where the Second Scheme is an umbrella, the provisions in this paragraph 15.1.2, paragraph 15.1.3 and paragraph 12 (Spread: General) apply to each sub fund as if it were a separate scheme.
- 15.1.3 Investment may only be made in other collective investment schemes managed by the ACD or an Associate of the ACD if the Prospectus clearly states that the Company may enter into such investments and the rules on double charging contained in COLL 5 are complied with.
- 15.2 The Company may, subject to the limits set out in 15.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the ACD or one of its Associates.
- 15.3 As a substantial proportion of the Company's assets are or may be invested in other collective investment schemes, the maximum level of management fees that may be charged by an investee collective investment scheme to the Company will be 2%.
- 15.4 Where the Second Scheme is an umbrella, the provisions in paragraphs 15.1.2, paragraph 15.1.3 and paragraph 12 (Spread: General) apply to each sub fund as if it were a separate scheme.
- 16. **Investment in nil and partly paid securities**

A transferable security or an approved money-market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Company, at the time when payment is required, without contravening the rules in COLL 5.
- 17. **Derivatives: general**

The Investment Manager may employ derivatives for the purposes of Efficient Portfolio Management ('EPM') in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate Director.

- 17.1 Where the Company employs derivatives for EPM or hedging purposes its global exposure will be calculated using the commitment approach on a daily basis.
- 17.2 The commitment approach measures the exposure generated by a derivative and must be based on an exact conversion of the financial derivative position into the market value of an equivalent position in the underlying asset of that derivative.
- 17.3 The sum of the absolute value of all these equivalent positions, after allowing for netting and hedging, is then the leverage generated by the Company's derivatives positions. This leverage level must comply with the RMP.
- 17.4 It is not intended that the use of derivatives and forward transactions for EPM purposes will cause the Company's risk profile to increase.
- 17.5 A transaction in derivatives or a forward transaction must not be effected for the Company unless the transaction is of a kind specified in paragraph 19 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 30 (Cover for investment in derivatives and forward transactions) of this Appendix.
- 17.6 Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in COLL 5 in relation to COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.
- 17.7 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.
- 17.8 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
  - 17.8.1 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;
  - 17.8.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - 17.8.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

- 17.9 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.
- 17.10 Where the Company invests in an index based derivative, provided the relevant index falls within paragraph 20 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R.
18. **Efficient Portfolio Management**
- 18.1 The Investment Manager may use Scheme Property to enter into transactions for the purposes of EPM. Permitted EPM transactions include transactions in derivatives dealt or traded on an eligible derivatives market or over-the-counter. Where permitted, EPM techniques may also involve the Company entering into stock lending transactions or reverse repurchase agreements. The ACD must ensure in entering into EPM transactions that the transaction is economically appropriate to (i) the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or (ii) the reduction of the relevant costs and/or (iii) the 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 COLL 5.
- 18.2 There is no guarantee that the Company will achieve the objective for which any EPM transaction was undertaken. To the extent that derivative instruments are utilised for hedging purposes (reduction of the risk profile of the Company), the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated. EPM transactions (save to the extent that derivatives are traded on exchange) may involve a risk that a counterparty will wholly or partially fail to honour its contractual obligations.
- 18.3 In order to mitigate that risk of counterparty default, the counterparties to these transactions may be required to provide collateral to suitably cover their obligations to the Company. In the event of default by the counterparty, it will forfeit its collateral on the transaction. However, there is a risk that the collateral, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability to the Company. Securities lending transactions may, in the event of a default by the counterparty, result in the securities lent being recovered late or only in part. This may result in loss for the Company.
- 18.4 To assist in managing these types of risks, the ACD has a collateral management policy which sets criteria around the types of eligible collateral the Company may accept. A copy of this is available from the ACD on request.
- 18.5 Investors should note that EPM transactions may be effected in relation to the Company in circumstances where the ACD or Investment Manager has, either directly or indirectly, an interest which may potentially involve a conflict of their obligations to



the Company. Where a conflict cannot be avoided, the ACD and Investment Manager will have regard to their responsibility to act in the best interests of the Company and its Shareholders. The ACD and Investment Manager will ensure that the Company and its Shareholders are treated fairly and that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed. For further information in relation to conflicts of interest, please see the 'conflicts of interest' section of this prospectus.

- 18.6 All revenues arising from EPM transactions (including stock lending and repurchase and reverse repurchase arrangements, if any) will be returned to the Company, net of direct and indirect operational costs.

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

- 19.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 23 (OTC transactions in derivatives).

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

- 19.2.1 transferable securities;
- 19.2.2 approved money-market instruments permitted under paragraphs 7.1.1 to 7.1.4;
- 19.2.3 deposits and permitted derivatives under this paragraph;
- 19.2.4 collective investment scheme units permitted under paragraph 15 (Investment in collective investment schemes);
- 19.2.5 financial indices which satisfy the criteria set out in paragraph 20 (Financial indices underlying derivatives);
- 19.2.6 interest rates;
- 19.2.7 foreign exchange rates; and
- 19.2.8 currencies.

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

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

- 19.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.

- 19.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 19.7 A derivative includes an investment which fulfils the following criteria:
- 19.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
  - 19.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
  - 19.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 23; and
  - 19.7.4 its risks are adequately captured by the risk management process of the ACD and by its internal control mechanisms in the case of risk asymmetry of information between the ACD and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.
- 19.8 The Company may not undertake transactions in derivatives on commodities.
20. **Financial Indices underlying derivatives**
- 20.1 The financial indices referred to in 19.2 are those which satisfy the following criteria:
- 20.1.1 the index is sufficiently diversified;
  - 20.1.2 the index represents an adequate benchmark for the market to which it refers; and
  - 20.1.3 the index is published in an appropriate manner.
- 20.2 A financial index is sufficiently diversified if:
- 20.2.1 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;
  - 20.2.2 where it is composed of assets in which the Company is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this section; and
  - 20.2.3 where it is composed of assets in which the Company cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this section.

- 20.3 A financial index represents an adequate benchmark for the market to which it refers if:
- 20.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;
  - 20.3.2 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
  - 20.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.
- 20.4 A financial index is published in an appropriate manner if:
- 20.4.1 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
  - 20.4.2 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.
- 20.5 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 19.2, be regarded as a combination of those underlyings.
- 21. Transactions for the purchase of property**
- 21.1 A derivative or forward transaction which will or could lead to the delivery of property for the account of the Company may be entered into only if that property can be held for the account of the Company, and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of COLL 5.
- 22. Requirement to cover sales**
- 22.1 No agreement by or on behalf of the Company to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Company by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Company at the time of the agreement. This requirement does not apply to a deposit.
- 23. OTC transactions in derivatives**
- 23.1 Any transaction in an OTC derivative under paragraph 19.1 must be:

- 23.1.1 in a future or an option or a contract for differences;
- 23.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the Financial Services Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange. or is an EU central counterparty authorised under EMIR, or a non-EU central counterparty recognised under the processes set out in Article 25 of EMIR, or is a central counterparty from jurisdictions that have been assessed by the Financial Stability Board as having implemented the G20 reforms on OTC derivatives as at June 2019;
- 23.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value; and
- 23.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
  - 23.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
  - 23.1.4.2 if the value referred to in 23.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 23.1.5 subject to verifiable valuation: a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
  - 23.1.5.1 an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or
  - 23.1.5.2 a department within the ACD which is independent from the department in charge of managing the Company and which is adequately equipped for such a purpose.

- 23.2 For the purposes of paragraph 23.1.3, “fair value” is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

## 24. **Valuation of OTC derivatives**

- 24.1 For the purposes of paragraph 23.1.3 the ACD must:

24.1.1 establish implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Company to OTC derivatives; and

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

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

- 24.3 The arrangements and procedures referred to in 24.1 must be:

24.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

24.3.2 adequately documented.

## 25. **Risk Management**

- 25.1 The ACD uses a risk management process (including a risk management policy) in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of the Company’s positions and their contribution to the overall risk profile of the Company. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

25.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Company together with their underlying risks and any relevant quantitative limits.

25.1.2 the methods for estimating risks in derivative and forward transactions.

- 25.2 The ACD must notify the FCA in advance of any material alteration to the details above.

## 26. **Investment in deposits**

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

**27. Significant influence**

- 27.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

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

27.1.2 the acquisition gives the Company that power.

- 27.2 For the purposes of paragraph 27.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

**28. Concentration**

The Company:

- 28.1 must not acquire transferable securities other than debt securities which:

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

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

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

- 28.3 must not acquire units representing more than 25% of the in the value of the scheme property;

28.3.1 a collective investment scheme that is not an umbrella or a sub-fund; or

28.3.2 a sub-fund of an umbrella.

;

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

- 28.5 need not comply with the limits in paragraphs 28.2, 28.3 and 28.4 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.
- 28.6 need not comply with the limit in 28.3 where both the investing UCITS scheme and the collective investment scheme in which units are acquired (the 'second scheme') are authorised funds managed by the same authorised fund manager, and the authorised fund manager:
- 28.6.1 performs portfolio management and risk management for both the investing UCITS scheme and the second scheme without delegation of those functions;
  - 28.6.2 delegates portfolio management and/or risk management for both the investing UCITS scheme and the second scheme to the same person; or
  - 28.6.3 delegates portfolio management and/or risk management for either the investing UCITS scheme or the second scheme to another person but performs portfolio management and/or risk management in relation to the other scheme without delegation of those functions.
29. **Derivative exposure**
- 29.1 The Company may invest in derivatives and forward transactions as long as the exposure to which the Company is committed by that transaction itself is suitably covered from within the Scheme Property. Exposure will include any initial outlay in respect of that transaction.
- 29.2 Cover ensures that the Company is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, the Company must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. Paragraph 30 (Cover for investment in derivatives and forward transactions) below sets out detailed requirements for cover of the Company.
- 29.3 A future is to be regarded as an obligation to which the Company is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which the Company is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).
- 29.4 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.
30. **Cover for investment in derivatives and forward transactions**

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

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

30.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 12 above.

### 31. **Cover and Borrowing**

31.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 30 (Cover for investment in derivatives and forward transactions) except where 31.2 below applies.

31.2 Where, for the purposes of this paragraph the Company borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 31.1 on deposit with the lender (or their agent or nominee), then this paragraph 31.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

### 32. **Calculation of global exposure**

32.1 The ACD must calculate the global exposure of the Company on at least a daily basis.

32.2 The ACD must calculate the global exposure of any UCITS scheme it manages either as:

32.2.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 17 (Derivatives: general), which may not exceed 100% of the net value of the Scheme Property; or

32.2.2 the market risk of the Scheme Property.

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

32.4 The ACD must calculate the global exposure of the Company by using:

32.4.1 commitment approach; or

32.4.2 the value at risk approach.

32.5 The ACD must ensure that the method selected above is appropriate, taking into account:



- 32.5.1 the investment strategy pursued by the Company;
  - 32.5.2 types and complexities of the derivatives and forward transactions used;  
and
  - 32.5.3 the proportion of the Scheme Property comprising derivatives and forward transactions.
- 32.6 Where the Company employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 41 (Stock lending) in order to generate additional leverage or exposure to market risk, the authorised fund manager must take those transactions into consideration when calculating global exposure.
- 33. Cash and near cash**
- 33.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:
- 33.1.1 the pursuit of the scheme's investment objectives; or
  - 33.1.2 redemption of Shares; or
  - 33.1.3 efficient management of the Company in accordance with its investment objective; or
  - 33.1.4 other purposes which may reasonably be regarded as ancillary to the investment objective of the Company.
- 34. General**
- 34.1 It is envisaged that the Company will normally be fully invested but there may be times that it is appropriate not to be fully invested when the ACD reasonably regards this as necessary in pursuit of the investment objective and policy, redemption of Shares, efficient management of the Company or any one purpose which may reasonably be regarded as ancillary to the investment objective of the Company.
- 34.2 Where the Company invests in or disposes of units or shares in another collective investment scheme which is managed or operated by the ACD or an Associate of the ACD, the ACD must pay to the Company by the close of business on the fourth Business Day the amount of any initial charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.
- 34.3 A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Company but, in the event of a consequent breach, the ACD must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Shareholders.

34.4 COLL 5 permits the ACD to use certain techniques when investing in derivatives in order to manage the Company's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure with respect to over-the-counter ("OTC") derivatives; for example the Company may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. COLL 5 also permits the Company to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in the Company) under certain conditions.

35. **Underwriting**

35.1 Underwriting and sub underwriting contracts and placings may also, subject to certain conditions set out in COLL 5, be entered into for the account of the Company.

36. **General power to borrow**

36.1 The Company may, subject to COLL 5, borrow money from an Eligible Institution or an Approved Bank for the use of the Company on terms that the borrowing is to be repayable out of the Scheme Property.

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

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

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

37. **Restrictions on lending of money**

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

37.2 Acquiring a debenture is not lending for the purposes of paragraph 37.1, nor is the placing of money on deposit or in a current account.

37.3 Nothing in paragraph 37.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by them for the purposes of the Company (or for the purposes of enabling them properly to perform their duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

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

- 38.1 Scheme Property other than money must not be lent by way of deposit or otherwise.
- 38.2 Transactions permitted by paragraph 41 (Stock lending) are not to be regarded as lending for the purposes of paragraph 38.1.
- 38.3 The Scheme Property must not be mortgaged.
- 38.4 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this paragraph prevents the Company or the Depositary at the request of the Company: from lending, depositing, pledging or charging its Scheme Property for margin requirements; or transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

**39. General power to accept or underwrite placings**

- 39.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation. This section applies, to any agreement or understanding: which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of the Company.
- 39.2 This ability does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or acquire a transferable security, or to convert one transferable security into another.
- 39.3 The exposure of the Company to agreements and understandings as set out above, on any Business Day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in COLL 5.

**40. Guarantees and indemnities**

- 40.1 The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.
- 40.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.
- 40.3 Paragraphs 40.1 and 40.2 do not apply to in respect of the Company:
  - 40.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL 5; and

- 40.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;
- 40.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and
- 40.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Company and the holders of units in that scheme become the first Shareholders in the Company.

#### 41. **Stock lending**

- 41.1 The entry into stock lending transactions or repo contracts for the account of the Company is permitted for the generation of additional income for the benefit of the Company, and hence for its Shareholders.
- 41.2 The specific method of stock lending permitted in this section is in fact not a transaction which is a loan in the normal sense. Rather it is an arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purpose of providing collateral to the “lender” to cover them against the risk that the future transfer back of the securities may not be satisfactorily completed.
- 41.3 The stock lending permitted by this section may be exercised by the Company when it reasonably appears to the Company to be appropriate to do so with a view to generating additional income with an acceptable degree of risk.
- 41.4 The Company or the Depositary at the request of the Company may enter into a stock lending arrangement or repo contract of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company, are in a form which is acceptable to the Depositary and are in accordance with good market practice, the counterparty meets the criteria set out in COLL 5.4.4, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Depositary, adequate and sufficiently immediate.
- 41.5 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has

expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

- 41.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under COLL 5, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Scheme Property.
- 41.7 There is no limit on the value of the Scheme Property which may be the subject of stock lending transactions or repo contracts.
- 41.8 The ACD has, however, decided not to utilise these techniques for the foreseeable future. Should this change, the Prospectus will be updated accordingly and any related costs or fees arising from this activity will be disclosed along with the identity of the entity(ies) that these are to be paid to.

## APPENDIX IV

### LIST OF AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE ACD

|                                                                                                        |
|--------------------------------------------------------------------------------------------------------|
| <b>The ACD acts as Authorised Corporate Director of the following Open-ended Investment Companies:</b> |
| Aptus Investment Fund                                                                                  |
| Asperior Investment Funds                                                                              |
| DMS Investment Funds ICVC II                                                                           |
| Heriot Investment Funds                                                                                |
| Ocean Investment Fund                                                                                  |
| P E Managed Fund                                                                                       |
| Packel Global Fund                                                                                     |
| Purísima Investment Funds                                                                              |
| The Abbotsford Fund                                                                                    |
| The Arbor Fund                                                                                         |
| The Broden Fund                                                                                        |
| The Chapel Funds ICVC                                                                                  |
| The Circus Fund                                                                                        |
| The Davids Fund                                                                                        |
| The Monoux Fund                                                                                        |
| The Navajo Fund                                                                                        |
| The New Floco Fund                                                                                     |
| The New Grande Motte Fund                                                                              |
| The New Jaguar Fund                                                                                    |
| The OHP Fund                                                                                           |
| The Sandwood Fund ICVC                                                                                 |
| The WS Waverton Managed Investment Fund                                                                |
| Trojan Investment Funds                                                                                |
| Windrush Fund                                                                                          |
| WS Aegon Investments ICVC I                                                                            |
| WS Aegon Investments ICVC II                                                                           |
| WS Amati Investment Funds                                                                              |
| WS AVI Worldwide Opportunities Fund                                                                    |
| WS Bellevue Funds (UK) OEIC                                                                            |
| WS Bentley Investment Funds                                                                            |
| WS Blue Whale Investment Funds                                                                         |
| WS Boyer Global Fund                                                                                   |
| WS Canada Life Investments Fund                                                                        |
| WS Canada Life Investments Fund II                                                                     |
| WS Cautela Fund                                                                                        |
| WS Doherty Funds                                                                                       |
| WS EkinsGuinness Funds                                                                                 |
| WS Fulcrum LTAF                                                                                        |

|                                                                         |
|-------------------------------------------------------------------------|
| WS General Global Investment Funds                                      |
| WS Gresham House Equity Funds                                           |
| WS Gresham House UK Micro Cap Fund                                      |
| WS Guinness Investment Funds                                            |
| WS Havelock London Investment Funds                                     |
| WS IM Investment Funds                                                  |
| WS Investment Funds ICVC VI                                             |
| WS KH Invicta Fund                                                      |
| WS Kleinwort Hambros Growth Fund                                        |
| WS Kleinwort Hambros Multi Asset Funds Umbrella                         |
| WS Lancaster Fund                                                       |
| WS Lightman Investment Funds                                            |
| WS Lindsell Train North American Equity Fund                            |
| WS Lindsell Train UK Equity Fund                                        |
| WS Lyrical Value Funds (UK) ICVC                                        |
| WS Macquarie Investment Funds                                           |
| WS Montanaro Funds                                                      |
| WS Morant Wright Japan Fund                                             |
| WS Morant Wright Nippon Yield Fund                                      |
| WS Multi Asset Funds                                                    |
| WS Opie Street ICVC                                                     |
| WS Prudential Investment Funds (1)                                      |
| WS Raynar Portfolio Management Funds                                    |
| WS Resilient Investment Funds                                           |
| WS Robin Fund                                                           |
| WS Ruffer Investment Funds                                              |
| WS Ruffer Managed Funds                                                 |
| WS Sequel Investment Funds ICVC II                                      |
| WS Verbatim Funds                                                       |
| WS Verbatim Multi-Index Funds                                           |
| WS Waverton Investment Funds                                            |
| WS Whitman OEIC                                                         |
| WS Zennor Investment Funds                                              |
|                                                                         |
| <b>The ACD acts as Manager of the following Authorised Unit Trusts:</b> |
| WS Catalyst Trust                                                       |
| WS Adam Worldwide Fund                                                  |
| WS Guinness Global Energy Fund                                          |
| WS Greenmount Fund                                                      |
| WS KH Ramogan Trust                                                     |
| WS New Villture Fund                                                    |
| WS Prudential Pacific Markets Trust                                     |
| WS Stakeholder Pension Scheme                                           |

|                                                                                 |
|---------------------------------------------------------------------------------|
| WS Stewart Ivory Investment Markets Fund                                        |
| WS T. Bailey Global Thematic Equity Fund                                        |
| WS T. Bailey Multi-Asset Dynamic Fund                                           |
| WS T. Bailey Multi-Asset Growth Fund                                            |
| WS T. Bailey UK Responsibly Invested Equity Fund                                |
| WS Waverton Charity Fund                                                        |
|                                                                                 |
| <b>The ACD acts as Manager of the following Authorised Contractual Schemes:</b> |
| The WS ACCESS Pool Authorised Contractual Scheme                                |
| WS Canada Life Investments Authorised Contractual Scheme                        |
| WS Robeco ACS Umbrella Fund                                                     |
| WS Wales Pension Partnership (Wales PP) Asset Pooling ACS Umbrella              |



## APPENDIX V

### PAST PERFORMANCE AND INVESTOR PROFILE

This performance information is based on the net asset value per share, after the deduction of all ongoing charges and portfolio transaction costs, with income reinvested.

Past performance is no indication of future performance.

| <b>WS AVI Worldwide Opportunities Fund*</b><br><b>'B' Accumulation Shares</b> |          |
|-------------------------------------------------------------------------------|----------|
| <b>Year</b>                                                                   | <b>%</b> |
| 2024                                                                          | 7.6      |
| 2023                                                                          | 6.30     |
| 2022                                                                          | (10.53)  |
| 2021                                                                          | 20.83    |
| 2020                                                                          | 12.09    |
| 2019                                                                          | 8.69     |
| 2018                                                                          | (5.69)   |
| 2017                                                                          | 20.31    |
| 2016                                                                          | 21.50    |
| 2015                                                                          | 2.89     |

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

\*The Fund has been previously known as the Premier Miton Worldwide Opportunities Fund.

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

#### Investor profile

The Company is marketable to all eligible investors provided they can meet the minimum subscription levels. The Company may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets. They may be suitable for investors wishing to seek to achieve defined investment objectives. Such investors must have experience with, or understand, products where the capital is at risk. Investors must be able to accept some risk to their capital, thus the Company may be suitable for investors who are looking to set aside their capital for at least 5 years. If you are uncertain whether these products are suitable for you, please contact a professional adviser.

WS AVI Worldwide Opportunities Fund may be suitable for those investors wanting to prioritise capital growth by investing primarily in a full range of both open ended and closed ended funds.

## APPENDIX VI

### SUB-CUSTODIANS

The below table lists the Sub-Custodians to which Northern Trust as Custodian has sub-delegated custody services to:

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

|                                           |                                                       |                               |
|-------------------------------------------|-------------------------------------------------------|-------------------------------|
| <b>Denmark</b>                            | Skandinaviska Enskilda Banken AB (publ)               |                               |
| <b>Egypt</b>                              | Citibank N.A., Cairo Branch                           |                               |
| <b>Estonia</b>                            | Swedbank AS                                           |                               |
| <b>Euroclear</b>                          | Euroclear Bank S.A/N.V                                |                               |
| <b>Finland</b>                            | Skandinaviska Enskilda Banken AB (publ)               |                               |
| <b>France</b>                             | The Northern Trust Company                            |                               |
| <b>Germany</b>                            | The Northern Trust Company                            |                               |
| <b>Ghana</b>                              | Standard Chartered Bank Ghana Limited                 |                               |
| <b>Greece</b>                             | Citibank Europe PLC                                   |                               |
| <b>Hong Kong</b>                          | The Hongkong and Shanghai Banking Corporation Limited |                               |
| <b>Hong Kong (Stock and Bond Connect)</b> | The Hongkong and Shanghai Banking Corporation Limited |                               |
| <b>Hungary</b>                            | Citibank Europe plc.                                  |                               |
| <b>Iceland</b>                            | Landsbankinn hf.                                      |                               |
| <b>India</b>                              | Citibank N.A.                                         |                               |
| <b>Indonesia</b>                          | Standard Chartered Bank                               |                               |
| <b>Ireland</b>                            | The Northern Trust Company, London                    |                               |
| <b>Israel</b>                             | Citibank, N.A., Israel Branch                         |                               |
| <b>Italy</b>                              | Citibank Europe plc                                   |                               |
| <b>Japan</b>                              | The Hongkong and Shanghai Banking Corporation Limited |                               |
| <b>Jordan</b>                             | Bank of Jordan Plc                                    |                               |
| <b>Kazakhstan</b>                         | Citibank Kazakhstan JSC                               |                               |
| <b>Kenya</b>                              | Standard Chartered Bank Kenya Limited                 |                               |
| <b>Kuwait</b>                             | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited |
| <b>Latvia</b>                             | Swedbank AS                                           |                               |
| <b>Lithuania</b>                          | AB SEB bankas                                         |                               |
| <b>Luxembourg</b>                         | Euroclear Bank S.A./N.V.                              |                               |
| <b>Malaysia</b>                           | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Malaysia Berhad     |
| <b>Mauritius</b>                          | The Hongkong and Shanghai Banking Corporation Limited |                               |
| <b>Mexico</b>                             | Banco Citi Mexico S.A.                                |                               |
| <b>Morocco</b>                            | Citibank Maghreb S.A                                  |                               |
| <b>Namibia</b>                            | Standard Bank Namibia Ltd                             |                               |

|                                   |                                                       |                                             |
|-----------------------------------|-------------------------------------------------------|---------------------------------------------|
| <b>Netherlands</b>                | The Northern Trust Company                            |                                             |
| <b>New Zealand</b>                | The Hongkong and Shanghai Banking Corporation Limited |                                             |
| <b>Nigeria</b>                    | Stanbic IBTC Bank Plc                                 |                                             |
| <b>Norway</b>                     | Skandinaviska Enskilda Banken AB (publ)               |                                             |
| <b>Oman</b>                       | First Abu Dhabi PJSC, Oman Branch                     |                                             |
| <b>Pakistan</b>                   | Citibank N.A., Karachi Branch                         |                                             |
| <b>Panama</b>                     | Citibank N.A., Panama Branch                          |                                             |
| <b>Peru</b>                       | Citibank del Peru S.A.                                |                                             |
| <b>Philippines</b>                | The Hongkong and Shanghai Banking Corporation Limited |                                             |
| <b>Poland</b>                     | Bank Handlowy w Warszawie S.A                         |                                             |
| <b>Portugal</b>                   | BNP Paribas SA                                        |                                             |
| <b>Qatar</b>                      | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited               |
| <b>Romania</b>                    | Citibank Europe PLC                                   |                                             |
| <b>Russia</b>                     | AO Citibank                                           |                                             |
| <b>Saudi Arabia</b>               | The Northern Trust Company of Saudi Arabia            |                                             |
| <b>Serbia</b>                     | UniCredit Bank Austria A.G.                           | UniCredit Bank Serbia JSC                   |
| <b>Singapore</b>                  | The Hongkong and Shanghai Banking Corporation Limited |                                             |
| <b>Slovakia</b>                   | Citibank Europe PLC                                   |                                             |
| <b>Slovenia</b>                   | UniCredit Banka Slovenija d.d.                        |                                             |
| <b>South Africa</b>               | The Standard Bank of South Africa Limited             |                                             |
| <b>South Korea</b>                | The Hongkong and Shanghai Banking Corporation Limited |                                             |
| <b>Spain</b>                      | Citibank Europe plc                                   |                                             |
| <b>Sri Lanka</b>                  | Standard Chartered Bank                               |                                             |
| <b>Sweden</b>                     | Skandinaviska Enskilda Banken AB (publ)               |                                             |
| <b>Switzerland</b>                | UBS AG Switzerland                                    |                                             |
| <b>Taiwan</b>                     | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank (Taiwan) Limited                  |
| <b>Tanzania</b>                   | Standard Chartered Bank (Mauritius) Limited           | Standard Chartered Bank Tanzania Limited    |
| <b>Thailand</b>                   | Citibank N.A., Bangkok Branch                         |                                             |
| <b>Tunisia</b>                    | Union Internationale de Banques                       |                                             |
| <b>Turkey</b>                     | Citibank A.S.                                         |                                             |
| <b>United Arab Emirates (ADX)</b> | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited (DIFC) Branch |

|                                      |                                                                    |                                             |
|--------------------------------------|--------------------------------------------------------------------|---------------------------------------------|
| <b>United Arab Emirates (DFM)</b>    | The Hongkong and Shanghai Banking Corporation Limited              | HSBC Bank Middle East Limited (DIFC) Branch |
| <b>United Arab Emirates (NASDAQ)</b> | The Hongkong and Shanghai Banking Corporation Limited              | HSBC Bank Middle East Limited (DIFC) Branch |
| <b>Uganda</b>                        | Standard Chartered Bank Uganda Limited                             |                                             |
| <b>Ukraine (Market suspended)</b>    | JSC "Citibank"                                                     |                                             |
| <b>United Kingdom</b>                | Euroclear UK & International Limited (Northern Trust self-custody) |                                             |
| <b>United States</b>                 | The Northern Trust Company                                         |                                             |
| <b>Uruguay</b>                       | Banco Itau Uruguay S.A.                                            |                                             |
| <b>Vietnam</b>                       | The Hongkong and Shanghai Banking Corporation Limited              | HSBC Bank (Vietnam) Ltd                     |
| <b>West Africa (UEMOA)</b>           | Standard Chartered Bank (Mauritius) Limited                        | Standard Chartered Bank Cote d'Ivoire SA    |
| <b>Zambia</b>                        | Standard Chartered Bank Zambia PLC                                 |                                             |
| <b>Zimbabwe</b>                      | The Standard bank of South Africa Limited                          | Stanbic Bank Zimbabwe Limited               |

**NB:** The above list is only updated at each Prospectus review and is current as at the date of this Prospectus. An up to date list of Sub-Custodians is maintained by the ACD and is available upon request.

## APPENDIX VII

### CONTACT US

Northern Trust Global Services SE – the **Administrator and the Registrar**:

For any application form requests to purchase Shares, sell your investment, obtain a valuation or general account enquiries, please contact:



Northern Trust Global Services SE  
Waystone Management (UK) Limited – AVI  
Sunderland  
SR3 4JQ



**Tel:** Please note, requests to purchase, redeem, switch or convert shares are not accepted via the telephone. Please either email or post your signed instruction as per the requirements set out in section 3 of this prospectus.



**Email:** [Waystone\\_enquiry@ntrs.com](mailto:Waystone_enquiry@ntrs.com)

Waystone Management (UK) Limited – the **Authorised Corporate Director**:

For requests related to the latest copies of the Prospectus, KIIDs, Reports and Accounts, factsheets or further information about our Funds, please contact:



Waystone Management (UK) Limited  
3rd Floor Central Square  
29 Wellington Street  
Leeds  
United Kingdom  
LS1 4DL

## **APPENDIX VIII**

### **DIRECTORY**

#### **The Company and ACD Registered Office**

WS AVI Worldwide Opportunities Fund  
Waystone Management (UK) Limited  
3rd Floor Central Square  
29 Wellington Street  
Leeds  
United Kingdom  
LS1 4DL

#### **Investment Manager**

Asset Value Investors Limited  
2 Cavendish Square  
London  
W1G 0PU

#### **Administrator & Registrar**

##### **(POSTAL ADDRESS FOR ALL CORRESPONDENCE)**

Northern Trust Global Services SE  
Waystone Management (UK) Limited – AVI  
Sunderland  
SR3 4JQ

#### **Administrator & Registrar (Principal Place of Business)**

##### **(NO GENERAL CORRESPONDENCE TO BE SENT TO THIS ADDRESS)**

Northern Trust Global Services SE  
50 Bank Street  
Canary Wharf  
London  
E14 5NT

#### **Depository (Principal Place of Business)**

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

#### **Auditors**

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG