

# Prospectus

relating to

*MCINROY & WOOD BALANCED FUND*

*MCINROY & WOOD INCOME FUND*

*MCINROY & WOOD SMALLER COMPANIES FUND*

and

*MCINROY & WOOD EMERGING MARKETS FUND*

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# Important Information

A copy of this document, which constitutes the Prospectus relating to the McInroy & Wood Balanced Fund, McInroy & Wood Income Fund, McInroy & Wood Smaller Companies Fund, and McInroy & Wood Emerging Markets Fund (together the “Trusts”) prepared in accordance with the Collective Investment Schemes Sourcebook as amended (the “COLL Rules”) has been sent to The Financial Conduct Authority and to the trustee of each of the Trusts in accordance with the COLL Rules.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and if you are in any doubt about the contents of this Prospectus you should consult your professional adviser.

McInroy & Wood Portfolios Limited (the ‘Manager’) is responsible for the information contained in this Prospectus. To the best of the Manager’s knowledge and belief (having taken all reasonable care to ensure that such is the case) the information set out in this Prospectus does not contain any untrue or misleading statement or omit any matters required by the COLL Rules to be included in it.

## US Investors

We do not accept applications by, or on behalf of, US Persons, being a national, citizen or resident of the United States of America or a corporation or partnership organised under the laws of the United States of America or having a principal place of business in the United States of America.

## Non-UK Investors

The distribution of this Prospectus and the offering of units in certain jurisdictions may be restricted. Persons interested in acquiring units in any of the Trusts should bear in mind that the Trusts are not marketed outside of the UK. Persons outside of the UK into whose possession this Prospectus comes are required to inform themselves about:

- the legal requirements within their own country for subscription of units,
- any foreign exchange restrictions which may be encountered; and
- the income, estate and other tax consequences of becoming a unitholder.

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.

## Target Market

Whilst the Trusts are suitable for mass market distribution, they are not suitable for investors who require full capital protection. Investors should have a medium to long-term investment horizon (3-5 years) and accept that the value of their investment will fluctuate. The Trusts will, however, allow ready access to the investment.

## Status of Prospectus

The Prospectus is based on information, law and practice at the date hereof. The Manager is not bound by any out-of-date Prospectus when it has issued a new Prospectus. Potential investors should check the Manager’s website to ensure that they have the most recently published Prospectus.

# Definitions

<b>Accumulation Units</b>	means units (of whatever class) in the Trusts as may be in issue from time to time in respect of which income allocated to the unit is credited periodically to capital pursuant to the FCA Rules.
<b>the Act</b>	the Financial Services and Markets Act 2000.
<b>Approved Security</b>	a transferable security which is (i) admitted to or dealt in on an Eligible Securities Market, or (ii) recently issued and the terms of issue include an undertaking that application will be made to be admitted to an Eligible Securities Market and such admission is secured within a year of issue.
<b>BNY</b>	Bank of New York Mellon (International) Limited.
<b>Business Day</b>	Monday to Friday, excluding public holidays and the 2 <sup>nd</sup> January (or substitute day).
<b>the COLL Rules</b>	the rules contained in the Collective Investment Schemes sourcebook (known as 'COLL') published by the FCA as part of their Handbook of rules made under the Act, as amended or replaced from time to time, which shall, for the avoidance of doubt, not include guidance or evidential requirements contained in the said sourcebook.
<b>derivatives</b>	includes but is not limited to futures, swaps, options and contracts for differences.
<b>EEA state</b>	a member state of the European Union and any other state which is within the European Economic Area currently Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Norway and Liechtenstein.
<b>Eligible Securities Market</b>	<p>a) a market in the United Kingdom or an EEA state which is regulated, open to the public and operates regularly; or</p> <p>(b) a regulated market as defined for the purposes of the COLL Rules; or</p> <p>(c) a market which the Manager, after consultation with and notification to the Trustee, has decided is appropriate for investment of, or dealing in, the property of the Trusts. Such markets must be regulated, operate regularly, appropriately recognised by an overseas regulator, open to the public, adequately liquid and have adequate arrangements for unimpeded transmission of income and capital to or to the order of investors; and</p> <p>(d) a market identified as an eligible securities market in the Schedule Part I.</p>

<b>Emerging markets</b>	Countries that are progressing towards becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body.
<b>EPM</b>	efficient portfolio management.
<b>the FCA</b>	the Financial Conduct Authority, or any successor authority.
<b>FCA Rules</b>	means the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in the COLL.
<b>Income Units</b>	means units (of whatever class) in the Trusts as may be in issue from time to time in respect of which income allocated to the unit is distributed periodically to the Unitholder pursuant to the FCA Rules.
<b>Investment Adviser</b>	McInroy & Wood Limited.
<b>Portal</b>	The Manager's online service through which investors can buy or sell units in accordance with the Supplementary Information Document.
<b>Prospectus</b>	the current Prospectus of the Trusts.
<b>Registers</b>	the unitholder Register for each of the Trusts.
<b>The Schedule</b>	the schedule forming part of the Prospectus.
<b>Scheme property</b>	the property of the Trusts held in trust by the Trustee in accordance with the Trust Deeds and the COLL Rules.
<b>Supplementary Information Document</b>	provides additional terms and conditions for buying and selling units in the Trusts and should be read prior to dealing.
<b>the Trustee</b>	the Bank of New York Mellon (International) Limited, also referred to as 'BNY'
<b>the Trusts</b>	the McInroy & Wood Balanced Fund, McInroy & Wood Income Fund, McInroy & Wood Smaller Companies Fund, and McInroy & Wood Emerging Markets Fund all of which are AUTs (defined under 'unit' below) and UK UCITS.
<b>Trust Deeds</b>	the Deeds constituting the Trusts.
<b>UCITS</b>	an undertaking for collective investment in transferable securities established in accordance with the UCITS Directive.

<b>UK UCITS</b>	has the meaning set out in the FCA Glossary.
<b>unit</b>	in relation to a collective investment scheme means the right or interest (however described) of the participants in that scheme (this includes, in relation to an authorised unit trust ('AUT'), a unit representing the rights or interests of the unitholders in the AUT.
<b>Unitholder</b>	holder(s) of registered units in the Trusts.
<b>Valuation Point</b>	12 noon every Business Day.

Subject to the foregoing, words and expressions which are defined in, or for the purposes of, the Act or the COLL Rules have the same meaning when they are used in this Prospectus (except where inconsistent with the context) and any references in this Prospectus to any statute or statutory instrument or other rule or regulation shall be deemed to include a reference to such statute or statutory instrument or other rule or regulation as from time to time amended and to any codification, consolidation or re-enactment thereof as from time to time in force.

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## 1. The Manager, Investment Adviser, Trustee and Auditors

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### 1.1 The Manager

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The manager of the Trusts is McInroy & Wood Portfolios Limited (registered no. SC116351) (the “Manager”), a private company limited by shares incorporated in Scotland under the Companies Act 1985 on 22<sup>nd</sup> February 1989. It is a wholly owned subsidiary of McInroy & Wood Limited (registered no. SC100377), a private company limited by shares incorporated in Scotland, and is Authorised and Regulated by the FCA. The Manager is also the manager of the McInroy & Wood HTT Fund.

#### Registered office and provision of documents

The address of the Head Office and registered office is Easter Alderston, Haddington, East Lothian, EH41 3SF. Notices or other documents may be served at this address and documentation, including copies of this Prospectus and long annual and half-yearly reports, may be requested from this address. A copy of the portfolio of investments of each of the Trusts as at the end of each month is also available on request from this address.

The Manager’s annual report for each Trust will be published on the Manager’s website on or before the Trust’s annual income allocation date in each year and the Manager’s half-yearly report for each Trust will be published on the Manager’s website within two months of the relevant Trust’s interim accounting reference date (see Reporting, Distribution and Accounting Dates of the Trusts, below). A copy of the Manager’s report is available free of charge on request from the Manager.

Copies of the Trust Deeds (including any supplemental trust deeds) may be inspected during normal business hours on any Business Day at the above address. Copies can be obtained at a charge of up to £5 per Trust Deed.

#### Directors\*\*

DJO Cruickshank\*; WA Ferguson; JR Jesty\*; JC McAulay; TAU Wood.

\*\* With the exception of JR Jesty, the directors of the Manager are also directors of McInroy & Wood Limited, the Investment Adviser.

\* Independent, non-executive director.

#### Delegation

- **The Registers:** The Manager is responsible for the Registers and has appointed **Bank of New York Mellon International Limited**, “BNY”, whose address is PO Box 401, Darlington, DL1 9UW to maintain the Registers for the Trusts. Copies of the Registers can be inspected by unitholders at the above address during normal business hours except that the Registers, or any of them, may be closed at such times and for such periods (not exceeding 30 days in any one year) after consultation with the Trustee.

The Registers shall be conclusive evidence as to the persons respectively entitled to the units entered in the Registers, except in the event of certain defaults by unitholders. No certificate or other document recording title to units is issued to a holder of units in any of the Trusts on or following the issue of those units.

- **Administration:** The Manager may delegate its management and administration to third parties including associates subject to the COLL Rules detailed at the sections on the Investment Adviser and Trustee below.
- **Fund valuation and accounting:** The Manager has delegated its fund valuation and accounting functions, and its transfer agency service, more particularly described under section 7.4 ‘Payments out of scheme property’, to BNY.

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## Remuneration Policy

The Manager is required to establish and apply a remuneration policy for certain categories of employees of the wider group providing services to the Manager whose activities have a material impact on the risk profile of the Manager or any UK UCITS that it manages ('Code Staff').

The Manager has adopted a remuneration policy (the 'Remuneration Policy') that is appropriate to its size, internal organisation and nature, scope and complexity of its activities. It:

- is consistent with and promotes sound and effective risk management.
- does not encourage risk taking which is inconsistent with the risk profiles of the UK UCITS that it manages; and
- does not impair the Manager's compliance with its duty to act in the best interests of the UK UCITS that it manages.

Remuneration is made up of fixed amounts only and all Code Staff are subject to an annual appraisal process. Remuneration for all Code Staff is approved by the Board. Details of the current Remuneration Policy are available at: <https://www.mcinroy-wood.co.uk/legal/important-disclosures>. A paper copy of the policy is available free of charge upon request.

### 1.2 The Investment Adviser

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The Manager is responsible for the overall investment policy and administration of the Trusts. However, the Manager has, in respect of each of the Trusts, an arrangement with McInroy & Wood Limited (the 'Investment Adviser') whereby the Investment Adviser provides the Manager with investment management and administrative services in respect of each of the Trusts.

The Investment Adviser is authorised and regulated by the FCA. The principal activity of the Investment Adviser is that of providing discretionary investment management for private clients.

The Investment Adviser is a body corporate in the same group of companies as the Manager and has its registered office at Easter Alderston, Haddington, East Lothian, EH41 3SF.

In terms of the arrangement between the Manager and the Investment Adviser, the Investment Adviser has absolute discretion, as agent for the Manager, to manage, buy, sell, exchange or otherwise deal with the Scheme property and to arrange for cash to be placed on and taken off deposit for the Manager in respect of the Scheme property. However, the Investment Adviser's discretion is subject to the investment policies and limits contained in the Prospectus and the Trust Deeds and to the rules made by the FCA and the statutory rules made under the Act.

The Adviser is committed to responsible investing. Details of the approach it takes can be found in its Statement on Responsible Investing, which can be found here: <https://www.mcinroy-wood.co.uk/investment-management/responsible-investing>

### 1.3 The Trustee

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BNY is the Trustee of the Trusts and, for the avoidance of doubt, acts as global custodian to the Trusts.

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

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as supplemented by the UCITS V Regulations and as incorporated into English law by the UK Implementing Legislation, and any other implementing legislation on an EU or UK level.

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

The registered and head office of the Trustee is 160 Queen Victoria Street, London EC4V 4LA. The principal business activity of the Trustee is the provision of custodial, banking and related financial services. The Trustee is authorised by the Prudential Regulation Authority and is dual regulated by the FCA and the Prudential Regulation Authority.

### **Duties of the Trustee**

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

### **Terms of Appointment of the Trustee**

The Trustee was appointed as trustee under the Trust Deeds, as amended from time to time, made between the Manager and the Trustee establishing the Trusts. The Trustee was appointed as Trustee of the Trusts pursuant to a Supplemental Trust Deed being a Deed of Retirement and Appointment of Trustee effective from 1<sup>st</sup> November 2017.

The Manager is required to enter into a written contract with the Trustee to evidence its appointment as depositary of the Trusts for purposes of the Directive. The Trustee was appointed as depositary under an agreement entered into between the Manager and BNY Mellon Trust & Depositary (UK) Limited dated 18<sup>th</sup> March 2016 as novated in favour of the Trustee with effect from 1<sup>st</sup> November 2017 (the 'Depositary Agreement').

Pursuant to the Depositary Agreement the Manager and the Trustee agree to carry out various functions to comply with, and facilitate compliance with, the requirements of the Directive. Details of the Trustee's remuneration are set out under section 7.3 "Trustee's Charges".

### **Delegation of Safekeeping Functions**

The Trustee is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme property. The Trustee acts as global custodian and may delegate safekeeping to one or more global sub-custodians (such delegation may include the powers of sub-delegation). The Trustee has delegated safekeeping of the Scheme property to The Bank of New York Mellon SA/NV and The Bank of New York Mellon (the 'Global Sub-Custodian'). In turn, the Global Sub-Custodian has sub-delegated the custody of assets in certain markets in which the Trusts may invest to various sub-delegates ('Sub-Custodians'). A list of Sub-Custodians is given in the Appendix to the Prospectus. Investors should note that, except in the event of material changes requiring a prompt update of the Prospectus, the list of Sub-Custodians is updated only at each Prospectus review.

### **Conflicts of interest**

From time to time, there may be situations that give rise to a material interest of conflict of interest. Such interests can arise between interests of one Manager, the investment Adviser, other persons associated with them and the interests of the Trust and their unitholders. A material interest or a conflict of interest can also arise between the interests of different unitholders. In such circumstances the Manager will put in place effective organisational and administrative arrangements to manage and monitor the material interest or conflict of interest in a way that ensures unitholders are treated fairly, or where it is impractical to manage the conflict it will be disclosed. Full details of the Manager's Conflicts of Interest Policy can be inspected at its Head Office.

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

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

“Link” means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

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

### **Trusts, Manager and unitholders**

The following conflict of interest may arise between the Trustee, the Trusts and the Manager:

A Group Link where the Manager has delegated certain administrative functions including but not limited to fund valuation and accounting functions to The Bank of New York Mellon (International) Limited or any BNY Mellon Affiliate.

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

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

### **Depositary Conflicts of interest**

The Trustee or any BNY Mellon Affiliates may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the Manager and the Trusts. Conflicts of interest may also arise between the Trustee’s different clients.

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

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

The Trustee maintains an EMEA Conflicts of Interest Policy (the “Conflicts Policy”). The Conflicts Policy (in conjunction with associated policies):

- a) identifies the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients;
- b) specifies the procedures or measures which should be followed or adopted by the Trustee in order to prevent or manage and report those conflicts of interest;
- c) sets out effective procedures to prevent or control the exchange of information between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;

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- d) includes procedures to ensure the separate supervision of persons whose principal functions involve carrying out activities with or for clients and whose interests may conflict, or who otherwise represent different interests that may conflict, including with the interests of the Trustee;
  - e) includes procedures to remove any direct link between the remuneration of individuals principally engaged in one activity and the remuneration of, or revenues generated by, different individuals principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
  - f) specifies measures to prevent or limit any person from exercising inappropriate influence over the way in which an individual carries out investment or ancillary services or activities; and
  - g) sets out measures to prevent or control the simultaneous or sequential involvement of an individual in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

Disclosure of conflicts of interest to clients is a measure of last resort to be used by the Trustee to address its regulatory obligations only where the organisational and administrative arrangements established by the relevant Trustee (and any BNY Mellon Affiliates where applicable) to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of clients will be prevented.

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

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

### **Delegation**

The following conflict of interest may arise as a result of the delegation arrangements relating to safekeeping outlined above:

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

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

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

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

## **1.4 The Auditors**

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The auditors of each of the Trusts are PricewaterhouseCoopers LLP, Level 4, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

## **2. The Trusts**

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### **2.1 General**

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All of the Trusts are UK UCITS schemes constituted as unit trust schemes under a Trust Deed and all unitholders will be treated as retail investors.

Unitholders are not liable for the debts of the respective Trusts.

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## Base Currency

The base currency of the Trusts is pounds Sterling.

## 2.2 The Trust Deeds

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### 2.2.1 McInroy & Wood Balanced Fund – Product Reference Number 144649 (the “Balanced Fund”)

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The Balanced Fund was established by a Trust Deed between the Manager and the Governor and Company of the Bank of Scotland (the ‘Original Trustee’) dated 15<sup>th</sup> and 18<sup>th</sup> January 1990 (as amended, supplemented, and / or novated from time to time). It is an authorised unit trust scheme for the purposes of the Act, authorised with effect from 30<sup>th</sup> January 1990. The Trust is a UK UCITS scheme for the purposes of the COLL Rules and issues Income and Accumulation Units.

### 2.2.2 McInroy & Wood Income Fund – Product Reference Number 164903 (the “Income Fund”)

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The Income Fund was established by a Trust Deed between the Manager and the Original Trustee dated 2<sup>nd</sup> and 7<sup>th</sup> February 1994 (as amended, supplemented, and / or novated from time to time). It is an authorised unit trust scheme for the purposes of the Act, authorised with effect from 22<sup>nd</sup> February 1994. The Trust is a UK UCITS scheme for the purposes of the COLL Rules and issues Income and Accumulation Units.

### 2.2.3 McInroy & Wood Smaller Companies Fund – Product Reference Number 194669 (the “Smaller Companies Fund”)

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The Smaller Companies Fund was established by a Trust Deed between the Manager and State Street Trustees Limited dated 7<sup>th</sup> March 2001 (as amended, supplemented, and / or novated from time to time). It is an authorised unit trust scheme for the purposes of the Act, authorised with effect from 9<sup>th</sup> March 2001. The Trust is a UK UCITS scheme for the purposes of the COLL Rules and issues Income and Accumulation Units.

### 2.2.4 McInroy & Wood Emerging Markets Fund – Product Reference Number 462265 (the “Emerging Markets Fund”)

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The Emerging Markets Fund was established by a Trust Deed between the Manager and the Depositary Company Limited dated 5<sup>th</sup> February 2007 (as amended, supplemented, and / or novated from time to time). It is an authorised scheme for the purposes of the Act, authorised by the FCA with effect from 13<sup>th</sup> February 2007 (as amended supplemented and / or novated from time to time). The Trust is a UK UCITS scheme for the purposes of the COLL Rules and issues Income and Accumulation Units.

## 2.3 Investment Policy and Objectives of the Trusts

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### 2.3.1 The Balanced Fund

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The investment objective of the **Balanced Fund** is to maximise the total return to unitholders, by preserving and growing the real value of investors’ capital and income, placing an equal emphasis on the generation of income and on capital growth. Real value is defined as the value of capital and income after adjusting for the impact of inflation. The UK Retail Price Index is the measure of inflation used by the Manager. The investment should be held for a minimum period of 3 years. Total return is defined as capital appreciation, if any, plus income received, and does not imply that a positive return will be consistently achieved over this or any other time period. Investors should be aware that their capital is at risk.

The Balanced Fund may invest in any geographical area and any economic sector. The Balanced Fund invests at least 50 per cent. in a combination of shares of companies quoted on the world’s stockmarkets, fixed income and debt securities (investment and sub-investment grade). Other appropriate investments, such as cash or cash equivalents may also be held, particularly to preserve capital in the event of volatile

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market conditions. In addition, not more than 10 per cent. of the property of the Balanced Fund may be invested in securities dealt on the Alternative Investment Market of the London Stock Exchange, and/or equivalent overseas market. It is not intended that the Balanced Fund will have an interest in any immovable property or tangible movable property.

**The Manager has the power to invest more than 35 per cent. in value of the Scheme property of the Balanced Fund in government and other public securities. This power is restricted to bonds or other securities issued by the Governments of the United Kingdom or the United States of America.**

### 2.3.2 The Income Fund

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The investment objective of the **Income Fund** is to preserve and to grow the real value of investors' capital and income, with an emphasis on the generation of income. Real value is defined as the value of capital and income after adjusting for the impact of inflation. The UK Retail Price Index is the measure of inflation used by the Manager. The investment should be held for a minimum period of 3 years. Investors should be aware that their capital is at risk.

The Income Fund may invest in any geographical area and any economic sector. The Income Fund invests at least 50 per cent. in a combination of shares of companies quoted on the world's stockmarkets, fixed income and debt securities (investment and sub-investment grade). Other appropriate investments, such as cash or cash equivalents may also be held, particularly to preserve capital in the event of volatile market conditions. It is not intended that the Income Fund will have an interest in any immovable property or tangible movable property.

**The Manager has the power to invest more than 35 per cent. in value of the Scheme property of the Income Fund in government and other public securities. This power is restricted to bonds or other securities issued by the Governments of the United Kingdom or the United States of America.**

### 2.3.3 The Smaller Companies Fund

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The investment objective of the **Smaller Companies Fund** is to grow the real value of investors' capital and income. Investments will be in global smaller companies, which do not form part of the leading market indices. An equal emphasis will be placed on the generation of income and on capital growth. Real value is defined as the value of capital and income after adjusting for the impact of inflation. The UK Retail Price Index is the measure of inflation used by the Manager. The investment should be held for a minimum period of 3 years. Investors should be aware that their capital is at risk.

The Smaller Companies Fund may invest in any geographical areas and any economic sector. The Smaller Companies Fund invests at least 50 per cent. in shares of smaller companies, quoted on the world's stockmarkets, which are considered to have above-average long-term growth prospects. Smaller, in this context, means companies which, normally, are likely to fall outside those comprising any narrowly constituted local market index of large companies. But there may also be some investments in companies included in such indices. Other appropriate investments may also be held such as cash or cash equivalents. It is not intended that the Smaller Companies Fund will have an interest in any immovable property or tangible movable property.

### 2.3.4 The Emerging Markets Fund

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The investment objective of the **Emerging Markets Fund** is to grow the real value of investors' capital and income. Investments will be in companies operating or incorporated in Emerging markets. An equal emphasis will be placed on the generation of income and on capital growth. Real value is defined as the value of capital and income after adjusting for the impact of inflation. The UK Retail Price Index is the measure of inflation used by the Manager. The investment should be held for a minimum period of 3 years. Investors should be aware that their capital is at risk.

The Emerging Markets Fund may invest in any geographical area and any economic sector. The Emerging Markets Fund invests at least 50 per cent. in shares of companies, quoted on the world's stock markets, and operating or incorporated in Emerging markets. Emerging markets are defined as countries that are

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progressing towards becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body. The Emerging Markets Fund also invests in depository receipts issued by companies quoted on the above markets. From time to time, when the Manager considers the outlook for such securities to be unfavourable, the Emerging Markets Fund may invest in gilt-edged stocks and overseas fixed interest investments which the Manager considers appropriate. It is not intended that the Emerging Markets Fund will have an interest in any immovable property or tangible movable property.

### 3. Investment and Borrowing Powers

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The eligible securities markets which the Manager has decided, after consultation with the Trustee, are eligible for the purposes of the COLL Rules are set out in Part I of the Schedule.

If requested by a unitholder, the Manager will provide additional information relating to:

- i) the quantitative limits applying in the risk management of a particular Trust;
- ii) the methods used in relation to (i); and
- iii) any recent development of the risk and yields of the main categories of investment.

The investment and borrowing limits of each of the Trusts are those prescribed by chapter 5.2 of the COLL Rules (the “investment and borrowing powers”), except.

The investment limits which apply to each of the Trusts are as follows:

#### 3.1 The Investment Limits

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- i) There is no limit on the value of the property of the Trust that may consist of Approved Securities;
- ii) with the exception of Government and other public securities, not more than 5 per cent. in value of the property of the Trust may consist of transferable securities issued by any one issuer, but this limit may be increased to 10 per cent. in such value provided that the aggregate value of all those investments exceeding the 5 per cent. limit does not exceed 40 per cent. in value of the property of the Trust;
- iii) subject to any restrictions imposed by the investment objective and policy of the Smaller Companies Fund as set out above, up to 35 per cent. in value of the property of that Trust may be invested in Government and other public securities issued by any one issuer;
- iv) **in the case of each of the Balanced Fund, the Income Fund and the Emerging Markets Fund up to 35 per cent. in value of the property of the relevant Trust may be invested in government and other public securities issued by any one issuer, although this limit does not apply where such securities have been issued or guaranteed by the Government of the United Kingdom or by the Government of the United States of America provided that where more than 35 per cent. of the Trust is invested in government and other public securities issued by one body no more than 30 per cent. in value of the property of the Trust shall consist of the securities of any one issue and the Scheme property shall include such securities of at least six different issues issued by that or another issuer;**
- v) not more than 10 per cent. in value of the property of the Trust may be invested in transferable securities which are not Approved Securities;
- vi) not more than 5 per cent. in value of the property of the Trust may consist of warrants, but warrants may only be acquired for the Trust if it is reasonably foreseeable that the right to subscribe conferred by the warrants could be exercised by the Trust without contravening the COLL Rules;
- vii) there is no limit on the value of the Scheme property which may consist of securities on which any sum is unpaid, provided that nil and partly paid securities may only be acquired for the Trust if it is reasonably foreseeable that the amount of any existing and potential calls for any sums unpaid

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- could be paid by the Trust at the time when payment is required, without contravening the COLL Rules;
- viii) the Trust may not hold (a) more than 10 per cent. of the non-voting share capital of a body corporate (i.e. shares which do not carry a right to vote in all circumstances at general meetings of the body corporate), (b) more than 10 per cent. of the other share capital of a body corporate (i.e. shares of a body corporate, other than an open-ended investment company, not within (a)), (c) more than 10 per cent. of the units in a collective investment scheme (excluding shares within (a)), (d) more than 10 per cent. of any non-convertible debentures of a private issuer (not being Government or other public securities) or (e) more than 10 per cent. of any convertible debentures of a private issuer (not being Government or other public securities);
  - ix) up to 5 per cent. in value of the property of each of the Balanced Fund, the Income Fund, and the Smaller Companies Fund, and up to 10 per cent. in value of the property of the Emerging Markets Fund may consist of units in other collective investment schemes which satisfies the requirements of Rule 5.2.13 of the COLL Rules (and such schemes may include collective investment schemes managed or operated by the Manager or any of its associates or in relation to which the Manager or an associate of the Manager is the authorised corporate director, provided that the provisions of Rule 5.2.13(2) of the COLL Rules are satisfied), subject to any investment limits contained in Chapter 5.2 of the COLL Rules which are more restrictive in this. The Trusts may not invest in unregulated collective investment schemes, non-UCITS retail schemes or equivalent United Kingdom or EEA schemes which may invest in gold or immovable property. In order to satisfy the requirements of Rule 5.2.13, the second scheme must either satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive or be recognised under the provisions of section 270 of the Act (schemes authorised in designated countries or territories) or be authorised as a non-UCITS retail scheme (provided the requirements of article 19(1)(e) of the UCITS Directive are met) or be authorised in the United Kingdom or an EEA State (provided the requirements of article 19(1)(e) of the UCITS Directive are met) and comply, where relevant, with COLL 5.2.15 R (Investment in associated collective investment schemes) and COLL 5.2.16 R (Investment in other group schemes). In addition, the second scheme must have terms which prohibit more than 10 per cent. in value of the Scheme property consisting of units in collective investment schemes and where the second scheme is an umbrella, the provisions above apply to each sub-fund as if it were a separate scheme;
  - x) in addition to the above restrictions, not more than 10 per cent. in value of the property of the Balanced Fund may be invested, in total, in securities dealt on the Alternative Investment Market of the London Stock Exchange, and /or equivalent overseas market. This restriction is tighter than would otherwise be imposed by the Regulations;
  - xi) also in addition to the above restrictions, in terms of Rule 5.2.11(8) of the COLL Rules, not more than 20 per cent. in value of the property of each of the Trusts is to consist of certain investments issued by the same group and, in terms of Rule 5.2.11(2) of the COLL Rules, certain of the above “spread” requirements will be interpreted on the basis that companies included in the same group are regarded as a single body (“group” for these purposes meaning companies included in the same group for the purposes of consolidated accounts as defined in accordance with EU Directive 83/349/EEC or in the same group in accordance with international accounting standards);
  - xii) no more than 20 per cent. in value of the property of a Trust is to consist of deposits with a single body;
  - xiii) there is a further restriction in that the total holdings of the Trusts must not exceed 20 per cent. of the voting share capital of a body corporate (i.e. shares which carry more than 20 per cent. of the rights to vote in all circumstances at general meetings of the body corporate).

### **3.2 Cash and Near Cash**

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The Manager’s investment policy may mean that at times, where it is considered appropriate, the property of the Trusts may not be fully invested and that prudent levels of liquidity will be maintained.

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Each Trust may hold sufficient cash and near cash as may reasonably be regarded as necessary to enable the redemption of its units, the efficient management of that Trust in accordance with its objectives or other purposes reasonably regarded as ancillary to those objectives.

In normal circumstances this will result in the Trustee holding cash or near cash of up to 10 per cent. in value of the property of each of the Trusts. However, where the Manager considers it advisable having regard to the matters referred to above, the proportion of cash or near cash may be increased up to 25 per cent. or more of the value of the property of the relevant Trust. This may occur, for example, where stockmarkets are considered to be vulnerable to significant downward movements.

### **3.3 Borrowing**

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The Trustee may, in accordance with the COLL Rules and with the instructions of the Manager, borrow money for the use of any of the Trusts on terms that the borrowing is to be repayable out of the property of the relevant Trust. Borrowing includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the property of a Trust in the expectation that the sum will be repaid.

The Manager must ensure that the borrowing of each of the relevant Trusts is only on a temporary basis and, in particular, that no period of borrowing exceeds 3 months without the prior consent of the Trustee who may only give such consent on condition that the borrowing does not cease to be temporary. The Trust may borrow only from an Eligible Institution or an Approved Bank. The Manager must also ensure that the borrowings of each Trust do not on any Business Day exceed 10 per cent. of the value of the property of the relevant Trust. This limit does not apply to “back-to-back” borrowing for currency hedging purposes.

The Manager reserves the right to exercise the full powers of any Trust in relation to borrowing as and when it considers that the circumstances which then exist make it appropriate to do so.

### **3.4 Restriction on Lending of Money**

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None of the money which is the property of a Trust may be lent, and for the purposes of this prohibition, money is lent by a Trust if it is paid to a person on the basis that it should be repaid, whether or not by the payee. Acquiring a debenture is not lending for these purposes nor is the placing of money on deposit or in a current account.

### **3.5 Restriction on Lending of Property other than Money**

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The property of a Trust other than money must not be lent by way of deposit or otherwise. Transactions permitted by COLL 5.4 (Stock lending) are not to be regarded as lending for these purposes.

Scheme property must not be mortgaged.

### **3.6 General Power to Accept or Underwrite Placings**

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Any power in the COLL Rules to invest in transferable securities may be used for the purpose of entering into transactions to which this rule applies, subject to compliance with any restriction in the Trust Deed in respect of a particular Trust.

This applies to any agreement or understanding which is an underwriting or sub-underwriting agreement or contemplates that securities will or may be issued or subscribed for or acquired for the account of the Trust.

This restriction 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
- convert one transferable security into another.

The exposure of a Trust to agreements and understandings within the meaning of an underwriting or sub-underwriting agreement must not, in accordance with COLL 5.3.3A R (Cover for investment in derivatives and forward transactions), exceed the net value of the Scheme property.

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### **3.7 Guarantees and Indemnities**

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

None of the property of a Trust may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person. These provisions do not apply to any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the COLL Rules or an indemnity given to a person winding up a body corporate or other scheme in circumstances where those assets are becoming part of the property of the Trust by way of a unitisation.

### **3.8 Efficient Portfolio Management**

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The Manager has not used Efficient Portfolio Management techniques to date and does not presently intend to do so. If the Manager considers that the use of Efficient Portfolio Management techniques is appropriate for any Trust, notification will be given to the relevant Unitholders.

Any costs, direct or indirect, from Efficient Portfolio Management will be charged to the Trust and any revenues made net of such costs shall be returned to the Trust.

Derivative transactions will only be used for the purposes of hedging (i.e. protecting the value of an existing investment position or positions), with a view to helping secure the objectives of any Trust. Use of such techniques is not expected to have a significant effect on the risk profile of any of the Trusts.

Each such transaction must be fully covered individually by the property of the Trust concerned of the right kind (i.e. in the case of exposure in terms of property, appropriate transferable securities or other property, and in the case of exposure in terms of money, cash, near cash, borrowed cash or transferable securities which can be easily sold to realise the appropriate cash). It must also be covered globally (i.e. after providing cover for the existing transaction there must be cover for another transaction within the Scheme property so there can be no gearing). Scheme property and cash can be used only once for cover and generally property of a Trust is not available for cover if it is the subject of a stocklending arrangement. The lending transaction in a back-to-back currency borrowing does not require cover.

### **3.9 Stocklending**

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The Manager will not use stocklending.

## **4. Unit Prices, Valuations and Dilutions**

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### **4.1 Characteristics of Units**

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The Trust Deeds allows for a number of classes of unit to be issued for each Trust. The capital value of each class of units reflects the value of the underlying Trust and will rise and fall as the value of the assets held by the Trust (the “Scheme Property”) rises or falls. Subject to the Trust Deed for each Trust and the provisions of the COLL Rules the Manager may create new classes of unit in respect of each Trust. Currently, the classes of units in issue are:

<b>Trust</b>	<b>Classes of Unit</b>
The Balanced Fund	Income Units Accumulation Units
The Income Fund	Income Units Accumulation Units
The Smaller Companies Fund	Income Units Accumulation Units
The Emerging Markets Fund	Income Units Accumulation Units

As the Trusts are authorised unit trust schemes, the nature of the right represented by units is that of a beneficial interest under a trust.

An Income Unit entitles the unitholder at each income allocation date to payment of the net income earned and attributable to that unit.

Holders of Accumulation Units are not paid the income attributable to such units. Instead, at each income allocation date, the income allocated to such units will be retained as property of the relevant Trust and is reflected in the Accumulation Unit price.

## **4.2 Valuation**

For the purposes of single pricing and subject at all times to the relevant provisions of COLL, the prices of units in the Trusts are computed, and the property of each of the Trusts is valued, in accordance with the provisions contained in, as applicable, the Trust Deeds constituting the Trusts, Chapter 6.3 of the COLL Rules and Part II of the Schedule at the end of this Prospectus, which establish at each Valuation Point a single price at which units can be issued or redeemed. The Manager has the right to make an additional adjustment or charge to compensate for dilution where on any dealing day use of the Single Price would materially disadvantage existing unitholders. Unitholders would be materially disadvantaged where there is a material dilution in the value of the property of a Trust as a result of the costs incurred in dealing in underlying investments and of any spread between the buying and selling prices of such investments. The amount to compensate for dilution as determined by the Manager would be an addition to the price of the units on their issue or sale or alternatively a deduction on their cancellation or redemption. This reserve power of the Manager will normally only be exercised if the net value of purchases and sales of units, on any dealing day, exceeds 10 per cent. of the deposited property of the Trust.

## **4.3 Dilution**

It is not possible to predict accurately whether dilution would occur at any point in time. In circumstances where it does, the Manager may use a dilution adjustment and not a dilution levy. The most likely event which would require a dilution adjustment would be either a substantial investment or a substantial withdrawal, into or out of one of the Trusts on a particular dealing day. It is estimated that any dilution adjustment would be in the region of 0.20 per cent. of the calculated single price for the Balanced Fund, or the Income Fund, and in the region of 0.5 per cent. for the Smaller Companies Fund or the Emerging Markets Fund.

## **4.4 Pricing**

Subject at all times to the relevant provisions of COLL, for the purposes of determining the prices at which units may be created or cancelled by the Trustee or purchased from or redeemed by the Manager, the Manager will carry out a valuation of the property of each Trust on each Business Day. Such valuations will be effective from 12 noon on that Business Day (the 'Valuation Point'). The valuations will be based on closing prices which can most reasonably be obtained after the Valuation Point. The Manager must advise the Trustee if there is to be an additional Valuation Point, but the Manager may carry out additional valuations, without creating a Valuation Point, if it considers it appropriate to do so. The base currency of the Trusts is sterling. The prices calculated as at the Valuation Points will be the prices notified to the Trustee for creation,

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cancellation, issue and redemption of units and deals placed will be dealt at the next available price calculated by reference to the valuation taken at the next Valuation Point for the Trust concerned.

#### **4.5 Publication of Prices**

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The Manager will publish each Business Day the price of units of the relevant Trust as calculated at the most recent Valuation Point and (if charged) the current preliminary charge on its website and in the 'Financial Times' under the heading of McInroy & Wood Portfolios Limited, in the first edition after any valuation for which the relevant newspaper will accept material for publication (or within one Business Day of the Valuation Point on the website). For reasons beyond the control of the Manager, these may not be the current prices and the Manager is not responsible for errors in publication or for non-publication. Units in the Trusts are not listed or dealt in on any investment exchange.

### **5. Buying, Selling and Conversion / Switching of Units**

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#### **5.1 Dealing**

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The Manager will be available to receive requests for the buying, selling or conversion or switching of units between 9.00 a.m. and 5.00 p.m. on every Business Day. Any written application should be made by completing an application form which is available from [www.mcinroy-wood.co.uk/our-funds](http://www.mcinroy-wood.co.uk/our-funds) or on request from the Manager. Completed forms should be sent to the Manager at its agent's address, McInroy & Wood Portfolios Limited, PO Box 401, Darlington, DL1 9UW. Payment is required from retail investors prior to dealing and can be made by electronic transfer or submitting a cheque with the completed application form.

To comply with anti-money laundering requirements (and as described in more detail in paragraph 10.3) the Manager will verify the identity and address of any new investor prior to placing any unit purchase deal. If this cannot be done electronically or insufficient information is provided by the investor, the Manager will not place the deal until verification has been possible.

The Manager will accept electronic requests for buying and selling of units through the Portal for individual unitholders transacting in their own name or for buying subsequent units in a joint portfolio.

The Manager will accept telephone requests for buying and selling of units for existing unitholders. Telephone dealing on JISA accounts is not available.

The Manager will accept electronic instructions from financial institutions.

The Manager will deal with any requests for the buying or selling of units by reference to the Valuation Point next following receipt of such instructions, payment and completion of any outstanding identity and address verification, noted above.

The Manager reserves the right to run a box (i.e. hold units in the Trusts on its own account) but does not currently do so. The Manager may deal as principal in the units. Where the Manager deals as principal, any profits or losses arising from such transactions shall accrue to the Manager and not to the Trust. The Manager is under no obligation to account to the Trustee or to unitholders of that Trust for any profit or loss it makes on such a transaction.

#### **5.2 Share Exchange - In Specie Consideration for Issue of Shares**

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The Manager may accept securities of suitable companies in exchange for units as provided in the COLL Rules. The Manager and Trustee will only do so where satisfied that the acquisition of those assets by any of the Trusts in exchange for the units concerned is not likely to result in any material prejudice to the interests of unitholders or potential unitholders.

The Manager will ensure that the beneficial interest in the assets is transferred to the Trust with effect from the issue of the units. The Trustee/Manager will not issue units in any Trust in exchange for assets the holding

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of which would be inconsistent with the investment objective of that Trust. Details of investments offered for exchange should be sent to the Manager.

### **5.3 Issue of Units**

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Orders for the issue of units will be processed on a forward price basis at a single price calculated by reference to the Valuation Point next following receipt of the instructions and payment. A contract note will be dispatched by close of business on the Business Day following the day on which a valuation of the relevant Trust is made showing the type of units, the issue price and the number of units issued and stating the aggregate consideration rounded up or down (as such rounding up or down is determined by the Manager). If instructions have been received through the Portal, contract notes will be provided on the portal. If electronic messaging systems have been used, payment, if not already made, will be due to the Manager within 4 Business Days of the date of the contract.

No certificate or other document recording title to units is issued to a holder of units in any of the Trusts on or following the issue of those units.

The Manager reserves the right to reject any application for units in whole or in part in which case the application monies or any balance will be returned at the risk of the applicant.

Default by a purchaser in payment of any monies under the purchaser's application for units in any of the Trusts will entitle the Trustee to cancel any rights of the purchaser in the units concerned. In the case of default, the Manager will hold the purchaser liable, or jointly and severally liable with any agent of the purchaser, for any loss sustained by the Manager as a consequence of a fall in the price of the units concerned.

### **5.4 Redemption of Units**

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Orders for the redemption of units will be processed on a forward price basis at a single price. Withdrawal forms are available on the Manager's website. The Manager will accept electronic instructions to redeem units through the Portal for individual unitholders transacting in their own name. Instructions may also be placed by telephone. On or following the giving of instructions for the redemption of units in any of the Trusts, a form of renunciation (when required by the Manager) will be issued by the Manager, to be completed, signed, and returned to the Manager. Without prejudice to section 5.5 below, units will be repurchased at a single price established by the next Valuation Point following receipt of instructions to redeem.

The Manager will accept electronic renunciation instructions from regulated institutions who hold units in a nominee name provided that the Manager has a coverall or an electronic renunciation agreement in place with the regulated institution.

A repurchase contract note will be issued by close of business on the Business Day following the day on which a valuation of the relevant Trust is made. If instructions have been received through the Portal, contract notes will be provided on the Portal. The Manager will pay the redemption price (less any charge on redemption and, if the proceeds are to be remitted abroad, the cost of such remittance) at the later of the following times:

- (i) not later than the close of business on the fourth Business Day following the next Valuation Point occurring after the receipt by the Manager of the request to redeem the units; and
- (ii) as soon as practicable after the time when the Manager has received all duly executed instruments and authorisations as effect (or enable the Manager to effect) transfer of title to the units;

provided that:

- (a) where more than 50 per cent. of the property of the relevant Trust is invested in Government and other public securities, the Manager shall pay the redemption price at the close of business on the Business Day next after the later of the times referred to in (i) and (ii) above; and

- (b) the Manager will not be required to pay the redemption price in respect of any units which it has agreed to redeem until such time as it has received cleared funds relating to the purchase of those units.

## 5.5 In Specie Redemption

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A deal involving units representing 5 per cent. or more in value will normally be considered substantial and the Manager may arrange to transfer property as proceeds of the sale instead of paying the price of the units in cash. The Manager may in its discretion agree an in-specie redemption with a unitholder whose units represents less than 5 per cent. in value of the property of any Trusts.

Where a unitholder requests redemption of a holding of not less than 5 per cent. of the value of the property of any of the Trusts, the Manager may, on giving written notice not later than the close of business on the second Business Day following the day on which the request is received, elect that the unitholder should accept a transfer of property of the relevant Trust instead of the redemption price of the units. However, the unitholder may, on receipt of such notice, serve notice on the Manager, not later than the close of business on the fourth Business Day following receipt of the notice from the Manager, requiring the Manager, instead of arranging for a transfer of the property, to arrange for a sale of the property and for the net proceeds of that sale to be remitted to the unitholder. For the avoidance of doubt, nothing in this paragraph shall enable units to be redeemed at a time when redemption is suspended.

## 5.6 Switching/Conversion of Units

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Subject to any restrictions on the eligibility of investors for a particular unit class and any minimum initial investment limit for a particular unit class, where there is more than one unit class in issue for a particular Trust a unitholder may at any time exchange/convert units of one class (the **original units**) for units of another class (the **new units**) in a particular Trust. The number of new units issued will be determined by reference to the respective prices of the new units and the original units at the Valuation Point applicable at the time the original units are redeemed and the new units are issued. It is also permissible to switch between units in different Trusts.

## 5.7 Minimum Investment

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The minimum initial investment, minimum subsequent investment and minimum monthly regular investment in the Trusts is as follows:

Unit Class	Minimum Initial Investment	Minimum Subsequent Investment	Minimum Regular Investment
Income Units	£500	£500	£100
Accumulation Units	£500	£500	£100

These limits may be varied at the Manager's discretion.

## 5.8 Dealings by the Manager, the Trustee and the Investment Adviser

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The COLL Rules contain provisions governing any transaction concerning any of the Trusts which is carried out by or with the Investment Manager, the Trustee, the Investment Adviser or any of their respective associates ("Affected Person"). Those provisions enable an Affected Person to, *inter alia*, sell or deal in the sale of property to the Trustee for the account of a Trust, vest property in the Trustee against the issue of units in a Trust, purchase property from the Trustee acting for the account of a Trust or provide services for a Trust. Any such transaction with or for a Trust is subject to, according to the circumstances applicable to such transaction, the best execution, independent valuation or arm's length transaction requirements set out in

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the COLL Rules. Any services provided for a Trust must comply with the arm's length transaction requirements.

#### **5.9 Restrictions and Compulsory Transfer and Redemption**

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The Manager may, from time to time, impose such restrictions as it deems to be necessary for the purpose of ensuring that no units are acquired or held by any person or party 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. In this connection, the Manager may, at its discretion, reject any application for the purchase, sale or exchange of units.

If the Manager believes that any units are owned directly or beneficially in circumstances which may (or may if other units are acquired or held in like circumstances) result in the Trust incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulations of any country or territory) it may give notice to the unitholder of such units, requiring him to transfer them to a person or party who is qualified or entitled to own them, or to request the redemption of the units by the Trust.

If any person or party upon whom such a notice is served does not, within thirty days following the date of such notice, transfer his affected units or establish to the satisfaction of the Manager (whose decision on the matter is final and binding) that he or the beneficial owner is qualified and entitled to hold and/or own them, he shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption or cancellation of all of the relevant units pursuant to the COLL Rules.

#### **5.10 Suspension of Redemption and Issue of Units**

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The Manager may, with the prior agreement of the Trustee or if so required by the Trustee, suspend the issue, cancellation, sale and redemption of units of any of the Trusts at any time for a period not exceeding 28 days if the Manager, or the Trustee, in the case of any requirement by the Trustee, is of the opinion that there is good and sufficient reason to do so having regard to the interests of the existing or potential unitholders of the relevant Trust. If the issue, cancellation, sale and redemption of units of any of the Trusts are suspended, the Trustee shall not create or cancel units of that Trust and the Manager shall not buy or sell units of that Trust as agent for the Trustee. Following the lifting of any such suspension the Scheme property will be valued at the next Valuation Point. The Manager may agree during the period of any such suspension, to sell or to redeem units or may arrange for the Trust to issue or cancel units at a price to be calculated by reference to the first Valuation Point after resumption of dealings in units.

#### **5.11 Reporting, Distributions and Accounting Dates of the Trusts**

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The annual accounting periods and the interim accounting periods of the Trusts end each year on the accounting reference dates specified in the following table:

<b>Trust</b>	<b>Annual Accounting Reference Date</b>	<b>Interim Accounting Reference Date</b>	<b>Annual Income Allocation Date</b>	<b>Interim Income Allocation Date</b>	<b>Annual Report sent to unitholders</b>	<b>Interim Report sent to unitholders</b>
McInroy & Wood Balanced Fund	28 February*	31 August	30 April	31 October	30 June	31 October
McInroy & Wood Income Fund	28 February*	31 May 31 August	30 April	31 July 31 October	30 June	31 October
McInroy & Wood Smaller Companies Fund	28 February*	31 August	30 April	31 October	30 June	31 October
McInroy & Wood Emerging Markets Fund	28 February*	31 August	30 April	31 October	30 June	31 October

\* 29<sup>th</sup> February in leap years

The Manager will prepare, within four months after the end of each annual accounting period and two months after the end of each half-yearly accounting period, the Annual and Interim Reports in accordance with the COLL Rules. Copies of the Annual and Interim Reports will be available on the Manager's website or for inspection by the public free of charge during ordinary office hours at the Manager's Head Office set out above. A free copy of these reports can be obtained on request.

Annual audited accounts are produced for the 12 month period ending on the annual accounting reference date and interim unaudited accounts are produced for the 6 month period ending on the interim accounting reference date.

The income of the unit classes of each Trust which is available for accumulation or distribution to unitholders in respect of each accounting reference period is determined by taking the aggregate income received or receivable by the Trust in respect of that period and deducting all charges and expenses properly payable out of income and allocated to that class and making appropriate adjustments for taxation.

The Trusts are required to distribute all their distributable income on an annual basis. Income is accumulated or distributed on or before the interim and annual allocation dates. Income earned in respect of interim income accounting reference dates can be carried forward for distribution as part of the later/final distribution for the year to ensure that distributions paid throughout the year are broadly similar.

For all Trusts, the Trustee shall, on or before the relevant annual income allocation date or interim income allocation date, distribute the income allocated to the relevant class of units of the relevant Trust among the holders of units and the Manager ratably in accordance with the number of units held or deemed to be held by them respectively at the end of the relevant annual accounting period or interim accounting period (as appropriate). The Trustee will deduct from the income available for allocation in respect of an annual accounting period the amount of the distribution paid or accumulated on or before the immediately preceding interim allocation date of the relevant Trust.

In relation to Accumulation Units, any available income will become part of the capital property of the relevant Trust at the end of the relevant accounting period.

In relation to Income Units, any monies payable by the Trustee to a holder of units may be paid by electronic transfer, crossed cheque or warrant made payable to the order of and sent through the post to the registered address of such holder (or, in the case of joint holders, made payable to and sent to the registered address of that one of the joint holders who is first-named in the Register) at the risk of such holder(s). Every such electronic transfer, cheque or warrant so addressed and sent shall be a good discharge to the Manager and the Trustee. Any distribution payment which shall remain unclaimed after a period of 6 years from the date of payment shall then be transferred to and become part of the capital property of the Trust in respect of which

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it was made and, thereafter, neither the payee nor the unitholder nor any successor in title of the unitholder shall have any right to such payment except as part of the capital property of the relevant Trust.

On a six-monthly basis, as at 5<sup>th</sup> April and 5<sup>th</sup> October, the Manager shall send to each unitholder (or to the first-named of joint unitholders) entitled to be entered in the Register a statement prepared by the Manager showing the calculation of the amount of income allocated in respect of each accounting period to which he is entitled, whether or not the income is distributed to him or accumulated within the capital of the relevant Trust. As at 5<sup>th</sup> April, an annual statement of how much of the amount to which he is entitled represents Income Equalisation (hereinafter defined) and, where applicable, a consolidated tax voucher, unless otherwise requested, will be issued.

## **5.12 Income Equalisation**

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In the case of the first allocation of income (whether annual or interim) to which a unitholder is entitled following the issue of units, the allocation will (as permitted by the Trust Deed constituting each of the Trusts) include a capital sum ("Income Equalisation") representing the Manager's best estimate of the amount of income included in the single price by reference to which the initial price of those units was determined, provided that the amount of Income Equalisation may be an amount arrived at by taking the aggregate of the amounts of income included in the single price in respect of units of the type in question issued or re-issued during the accounting period in question and dividing that aggregate by the number of those units and applying the resultant average to each of the units in question. The periods for grouping are consecutive periods within each annual accounting period, being an interim accounting period and the period from the last interim accounting period in an annual accounting period to the end of the annual accounting period.

## **5.13 Mandatory Conversion of Units**

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Where the Manager considers it in the best interests of unitholders, the Manager may convert a unitholder's holding in one class of units to another class of units. The Manager shall give at least 60 days' prior written notice to the unitholders concerned of the proposed conversion, including details of the new class of units and reminding unitholders of their rights to redeem.

# **6. Taxation**

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## **6.1 General Information**

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The following is a general summary based on current United Kingdom ("UK") tax law and HM Revenue & Customs' ("HMRC") published practice as at the date of this Prospectus, both of which are subject to change. It summarises the tax position of the Trusts and of UK resident unitholders who are the absolute beneficial owners of units held as an investment. The summary's applicability will depend upon a unitholder's particular circumstances, as well as on the bases and rates of, and reliefs from, taxation, all of which may change in the future (possibly with retrospective effect). Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the UK, should take appropriate professional advice.

## **6.2 The Trusts**

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The Trusts are authorised unit trusts to which the Authorised Investment Funds (Tax) Regulations 2006 apply. They are taxed as 'investment companies', which means that dividend income (paid by UK companies) is not liable to UK corporation tax within the Trusts as it has been paid from profits made by companies which have already been taxed. Dividend income received by the Trusts from non-UK companies is also generally exempt from UK corporation tax under Part 9A of the Corporation Tax Act 2009. The Trusts are, however, liable to UK corporation tax at the basic rate of income tax (currently 20 per cent.) on their other income (for example, interest distributions from UK collective investment schemes or bank deposit interest) after deduction of allowable expenses (including the Manager's and Trustee's fees). The Trusts will not normally be liable to tax on capital gains realised on the disposal of investments held within them.

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Where the Trusts hold an investment in any collective investment scheme that during the relevant Trust's accounting period is broadly greater than 60 per cent. invested directly or indirectly in cash and bonds, any movements in the value of that holding will be taxed as income of the relevant Trust for the period concerned. Also, where the Trusts hold an interest in a collective investment scheme outside the UK that meets the definition of an 'offshore fund' (contained in Part 8 of the Taxation (International and Other Provisions) Act 2010) but has not been certified by HMRC as a 'reporting fund' for the entire time that the relevant Trust holds its interest, the relevant Trust will be charged to tax on any gain realised on disposal as income rather than it being treated as an exempt capital gain. To the extent that the Trusts invest in reporting funds there may be an annual amount of reportable income from the reporting funds which will be recognised within the distributable income of the Trusts regardless of whether the income is received by the Trusts or not.

To the extent that the Trusts receive income from, or realise gains on disposal of investments in foreign countries they may be subject to foreign withholding or other taxation in those jurisdictions. To the extent it relates to income, this foreign tax may be able to be treated as an expense for UK corporation tax purposes, or it may be treated, to the extent not relievably under a double tax treaty, as a credit against UK corporation tax up to certain limits.

## **6.3 Unitholders**

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### **6.3.1 Income Distributions**

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Each Trust will distribute income. For the purposes of UK taxation, Income Units and Accumulation Units have the same consequences. Income allocated to Accumulation Units is treated for tax purposes as a distribution.

Distributions made by a Trust may, for UK tax purposes, be either dividend distributions or interest distributions, depending on the nature of the Trust. Interest distributions can only be made where the market value of a Trust's interest-bearing assets, including holdings in collective investment schemes that pay interest distributions and cash on deposit, exceed 60 per cent. of the market value of all its assets throughout the accounting period to which it relates (when the Trust is said to be a "bond fund"). Accordingly, a Trust that does not qualify as a bond fund can only make dividend distributions.

#### **Dividend Distributions (unitholders liable to income tax)**

With effect from 6<sup>th</sup> April 2016, dividend distributions received by unitholders liable to UK income tax no longer carry a tax credit. Instead, any dividends received by such unitholders up to the dividend allowance annual limit will be subject to a tax rate of 0 per cent.. Dividend amounts received in excess of this tax-free allowance will be liable to income tax as the top slice of the unitholder's taxable income at the prevailing marginal rates applicable to each such unitholder.

#### **Dividend Distributions (unitholders liable to UK corporation tax)**

Dividend distributions to unitholders within the charge to UK corporation tax are deemed to comprise two elements where a Trust's income is not wholly derived from underlying dividends: (i) that part of the distribution which does not represent underlying dividends is deemed to constitute an annual payment received by unitholders after the deduction of income tax at the basic rate and such unitholders are liable to UK corporation tax on the grossed-up amount of the annual payment with credit given for income tax deemed to have been suffered and (ii) the remainder of any such distribution, which comprises the gross amount of dividends, is exempt from UK corporation tax for unitholders within the charge to UK corporation tax. Details of the proportions of distributions comprising annual payments and dividends will be shown in the tax voucher received by unitholders.

### **6.3.2 Capital Gains**

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Exempt unitholders, which include UK charities, UK approved pension funds and ISAs (and their individual investors), would not normally be expected to be liable to capital gains tax or corporation tax on any capital gains arising on their disposal of units.

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Unitholders who are resident in the UK for tax purposes may, depending on individual circumstances, be liable to UK capital gains tax or UK corporation tax on chargeable gains arising from the sale or other disposal of units (including redemption or the exchange of units in a Trust for those in another Trust but not converted between different unit classes in the same Trust) and generally compute their gains by deducting from the sale proceeds the capital gains base cost in respect of the units.

Unitholders within the charge to UK corporation tax are generally taxed on the chargeable gain made on the same basis but are, however, entitled to indexation allowance on the basic cost to the date of the disposal.

### 6.3.3 Inheritance Tax

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

For these purposes, a transfer of a holding at less than the full market value may be treated as a gift. In certain circumstances, a charge to inheritance tax does not apply where it is shown that a gift made on arm's length terms between unconnected parties was not intended to confer any gratuitous benefit.

### 6.3.4 Individual Savings Accounts, Junior Individual Savings Accounts and Self-Invested Personal Pension schemes

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The Trusts are qualifying unit trusts for the purposes of Individual Savings Accounts and Junior Individual Savings Accounts. The Trusts may also be included in certain Self-Invested Personal Pension schemes.

## 7. Charges

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Any increase in the preliminary charge, the Manager's charge or the registrar's fees may, if deemed a significant change for the purpose of the COLL Rules be made subject to the Manager giving at least 60 days' written notice to the unitholders of the relevant Trust and the Trustee and making available, for at least 60 days, this Prospectus amended to reflect the proposed increase. If the change is deemed fundamental as defined in the COLL Rules, unitholder approval of the change will be required.

### 7.1 Periodic Charges (The Manager's Charge)

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The Manager is entitled under the Trust Deeds constituting the Trusts to make a periodic management charge (plus value added tax, if any), based on the value of the property of each of the Trusts calculated in accordance with Section 6.7 of the COLL Rules ("Periodic Management Charge"). As at the date of this Prospectus, the Manager makes the following Periodic Management Charges in respect of the Trusts:

In respect of Income Units and Accumulation Units of each Trust, a Periodic Management Charge at the rate of 1.0 per cent. per annum (plus value added tax, if any).

The Manager reserves the right to review these levels.

The Periodic Management Charge shall accrue in respect of "accrual intervals", each of which shall have a duration of one day for each Trust. The Periodic Management Charge shall be paid in arrears at the end of each calendar month out of the property of the relevant Trust.

As indicated under "Risk Warnings" in Part III of the Schedule, the Manager and the Trustee have agreed that all of the Periodic Management Charge payable in respect of each Trust is to be treated as a capital charge and, therefore, debited to the capital property of such Trust.

The Manager may effect unit rebating for the benefit of Unitholders where consistent with applicable FCA Rules.

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## 7.2 Redemption Charge

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The Manager is entitled, under the Trust Deeds constituting the Smaller Companies Fund and the Emerging Markets Fund, to make a charge by way of deduction from the proceeds of redemption in respect of units in that Trust (plus value added tax, if any) of the proceeds of redemption. Similarly, the Manager is entitled, under the Trust Deeds (as amended) constituting the Balanced Fund and the Income Fund respectively, to make a charge by way of deduction from the proceeds of redemption in respect of units in those Trusts issued on or after 27<sup>th</sup> July 1998 (plus value added tax, if any) of the proceeds of redemption. The Manager has never made any redemption charge and it is not the Manager's present intention to make any charge on redemption of units in any of the Trusts. The introduction of any such charge shall not take effect unless the Manager has complied with requirements of the COLL Rules relating to the introduction of charges on redemption.

## 7.3 Trustee's Charges

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The Trust Deeds constituting the Trusts permit the Trustee to be paid out of the property of the Trusts by way of remuneration a periodic charge (plus value added tax, if any) at rates to be agreed with the Manager (the "Trustee's Charges").

Charges effective from 1<sup>st</sup> May 2016.

In the case of all Trusts a maximum periodic charge of 0.0345 per cent. on the first £30 million per Trust, 0.0230 per cent. on the next £30 million per Trust and 0.0115 per cent. on the balance per Trust has been agreed. In respect of the Income Fund and the Balanced Fund a minimum charge of £16,100 (plus value added tax, if any) has been agreed. In respect of the Smaller Companies Fund, and the Emerging Markets Fund a minimum charge of £4,600 (plus value added tax, if any) has been agreed.

Any increases in these charges will be subject to negotiation with the Manager. Such changes will be agreed between the Trustee and Manager.

The periodic charge is calculated in respect of successive monthly periods (the "Payment Period") according to the value of the property of the relevant Trust as at the Valuation Point at which the relevant Payment Period begins or if the relevant Payment Period does not begin at a Valuation Point, as at the Valuation Point next before the beginning of the Payment Period in question. The periodic charge accrues daily and is paid as soon as possible after the end of the period to which it relates.

Unless already covered by the above charges, the Trustee may also be paid by way of remuneration out of the property of each of the Trusts the amount of any bank or other charges (including transaction charges, which may range from £7.50 to £75.00 per transaction) charged by it in relation to the safe custody (which may range from 0.003 per cent. to 0.375 per cent. of market value of property invested depending on the country), insurance, acquisition, holding or realisation of any investment forming part of the property of the relevant Trust or any authorised deposit or loan. The Trustee may also be reimbursed out of the property of a Trust all expenses incurred in respect of that Trust in performing any of the duties imposed upon it by the Trust Deed constituting that Trust, by the COLL Rules or by law. Without prejudice to the generality of the foregoing, the duties of the Trustee will include the following:

- (i) delivery of assets to the Trustee;
- (ii) custody of assets;
- (iii) the collection of income;
- (iv) the submission of tax returns;
- (v) the handling of tax claims;
- (vi) the preparation of the Trustee's annual report; and
- (vii) such other duties as the Trustee is required by law to perform. Such charges accrue daily and are paid monthly in arrears.

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Any increase in the Trustee's charges, transaction charges or custody charges may, if deemed a significant change, be made after giving at least 60 days' prior written notice to unitholders and making available for at least 60 days the Prospectus in respect of that Trust amended to reflect the proposed increase. If regarded as a fundamental change, unitholder consent to the change would be required.

#### **7.4 Payments out of Scheme Property**

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In addition to the Manager's Periodic Management Charge and the Trustee's Charges (plus, in each case, value added tax (if any)), the following expenses may be paid out of the property of each of the Trusts (and debited as appropriate to the Proportion Account of the relevant unit class as set out in Part Three of the Schedules to the Trust Deeds):

- (i) broker's commission, fiscal charges and other disbursements which are:
  - (a) necessary to be incurred in effecting transactions for that Trust; or
  - (b) normally shown in contract notes, confirmation notes and difference accounts, as appropriate;
- (ii) stamp duty, other taxes, brokerage fees, governmental fees or charges and other expenses incurred in the acquiring or disposing of investments whether in the UK or elsewhere;
- (iii) interest on permitted borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- (iv) taxation and duties payable in respect of the property of that Trust, or the issue of units of that Trust;
- (v) any costs incurred in modifying the Trust Deed constituting that Trust, including costs incurred in respect of meetings of unitholders convened for purposes which include the purpose of modifying such Trust Deed, where the modification is:
  - (a) necessary to implement, or necessary as a direct consequence of, any change in the law (including changes in the COLL Rules);
  - (b) expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of unitholders of that Trust; or
  - (c) to remove obsolete provisions from such Trust Deed;
- (vi) any costs incurred in respect of meetings of unitholders convened on a requisition by unitholders of that Trust not including the Manager or an associate of the Manager;
- (vii) liabilities on unitisation, amalgamation or reconstruction arising in circumstances permitted by the COLL Rules;
- (viii) the audit fee properly payable to the auditors (plus value added tax, if any) and any proper expenses of the auditors;
- (ix) the fees of the FCA under section 113(8) of the Act or any corresponding fees of any regulatory authority in a country or territory outside the United Kingdom in which units in that Trust are or may be marketed;
- (x) where the property of a body corporate (such as an investment trust) or of another collective investment scheme is transferred to the Trustee in consideration of the issue of units in that Trust to shareholders in that body or to participants in that other scheme, any liabilities arising after the transfer which, had they arisen before the transfer, could properly have been paid out of that other property, provided that the Trustee is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- (xi) fees levied by the Manager or payable to a provider of fund administration services regarding the following services (plus value added tax, if any):
  - (a) pricing and valuing units;

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- (b) transfer agency, which typically includes, but will not be limited to, processing unitholder dealing instructions, processing distributions, receiving and dispatching unitholder payments and associated record keeping;
  - (c) publishing fund prices on various media;
  - (d) maintaining fund accounts and associated books and records;
  - (e) preparing and producing financial statements, tax computations and returns;
  - (f) printing and circulating semi and annual reports;
  - (g) company secretarial services;
  - (h) independent risk monitoring;
- (xii) any fees, costs and expenses properly recoverable in accordance with the COLL Rules.

## **7.5 Unit Dealing Charges**

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A dealing charge of up to £25 per transaction may be paid from the property of each of the Trusts on a monthly basis.

## **7.6 Registrar's Charges**

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The charges in respect of maintaining the Register of unitholders are included within the transfer agency costs.

## **8. Winding-up of the Trusts**

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A Trust must be terminated and wound up by the Trustee upon the occurrence of any of the following events:

- (i) the FCA revoking the order declaring that Trust to be an authorised unit trust scheme;
- (ii) in response to a request to the FCA by the Manager or the Trustee for the revocation of the order declaring that Trust to be an authorised unit trust scheme, the FCA having agreed, albeit subject to there being no material change in any relevant factor, that, on the conclusion of the winding-up of the Trust the FCA will accede to that request;
- (iii) the effective date of a duly approved scheme of amalgamation relating to that Trust; or
- (iv) the effective date of a duly approved scheme of reconstruction which results in all the property of that Trust as reconstructed becoming the property of two or more authorised or recognised schemes.

If any of the above events occur, Chapters 5 (concerning investment and borrowing powers), 6.2 (concerning dealing) and 6.3 (concerning pricing) of the COLL Rules will cease to apply to the relevant Trust. The Trustee will cease the creation and cancellation of units in that Trust and the Manager will cease issuing or buying and redeeming or selling units in that Trust.

In the event that any of the Trusts is to be wound up, such winding-up shall be undertaken in the following manner:

- (i) in a case falling within sub-paragraph (iii) or (iv) above, the Trustee will wind up the relevant Trust in accordance with the approved scheme of amalgamation or reconstruction; and
- (ii) in any other case:
  - (a) the Trustee shall, as soon as practicable after the relevant Trust falls to be wound up, realise the property of that Trust and, after paying thereout or retaining adequate provision for all liabilities properly so payable and retaining provision for the costs of the winding-up, distribute the proceeds of that realisation to the unitholders and the Manager (upon production by them of such evidence, if any, as the Trustee may reasonably require as to their entitlement thereto) proportionately to their

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respective interests in that Trust as at the date of the relevant event giving rise to the winding-up; and

- (b) any net proceeds or other cash (including distribution payments) held by the Trustee which have not been claimed after 12 months from the date on which the same became payable will be paid by the Trustee as the court may direct, after the deduction by the Trustee of any expenses it may incur in making and relating to that payment.

Where the Trustee and one or more unitholders agree, the requirement in sub-paragraph (a) above to realise the property of the relevant Trust shall not apply to that part of the property proportionate to the entitlement of that or those unitholders, and the Trustee may distribute that part in the form of property, after making such adjustments or retaining such provision as appears to the Trustee appropriate for ensuring that that or those unitholder(s) bear a proportional share of the costs and liabilities.

The Trustee will not be required to distribute proceeds of a realisation to any unitholder in any case where the Manager or the Trustee considers it necessary or appropriate to carry out or complete identification procedures in relation to the unitholder or another person pursuant to a statutory, regulatory or European Union obligation.

In winding up the unitholders will have the right to receive their share of the net proceeds of the property of the relevant Trust. This right is in addition to any rights of the unitholders as beneficiaries under general trust law.

On completion of the winding-up in respect of any event referred to in sub-paragraph (ii), (iii) or (iv) above, the Trustee shall notify the FCA in writing of that fact and at the same time the Manager or the Trustee shall request the FCA to revoke the order of authorisation of the relevant Trust under section 79(4) of the Act.

## 9. Meetings of Unitholders

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The convening and conduct of meetings of unitholders and the voting rights of unitholders at such meetings of each of the Trusts is governed by the COLL Rules and the procedures set out in the Trust Deed.

For these purposes a unitholder means those persons who are unitholders as at a cut-off date selected by the Manager which is a reasonable time before notices of the relevant meeting are sent out.

### 9.1 Convening a General Meeting

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The Manager or the Trustee may convene a general meeting of unitholders at any time. The unitholders may request the convening of a general meeting by a requisition which must be dated, state the objects of the meeting, be signed by unitholders who, at that date, are registered as the unitholders of units representing not less than one-tenth in value of all of the units then in issue and has been deposited at the head office of the Trustee.

The Manager or the Trustee must, on receipt of a requisition to convene a general meeting that complies with the provisions above, immediately convene a general meeting of the Trust for a date no later than eight weeks after receipt of the requisition.

### 9.2 Notice of Meetings

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Where the Manager or the Trustee decides to convene a general meeting of unitholders, each unitholder must be given at least 14 days' written notice, inclusive of the date on which the notice is first served and the day of the meeting and the notice must specify the place, day and hour of the meeting and the terms of the resolutions to be proposed and a copy of the notice must be sent to the Trustee. The accidental omission to give notice to, or the non-receipt of notice by, any unitholder does not invalidate the proceedings at any meeting of the Trust.

Notice of any adjourned meeting of unitholders must be given to each unitholder stating that while two unitholders present in person or proxy are required to constitute a quorum at the adjourned meeting, this may be reduced to one should two such unitholders not be present after a reasonable time of convening of the meeting.

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### 9.3 Quorum for Meetings

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Otherwise than as stated above, the quorum required to conduct business at a meeting of unitholders is two unitholders, present in person or by proxy. If, after a reasonable time from the time for the start of the meeting, a quorum is not present, the meeting, if convened on the requisition of unitholders, must be dissolved; and in any other case, must stand adjourned to a day and time which is seven or more days after the day and time of the meeting and a place to be appointed by the chairman.

If, at an adjourned meeting of unitholders, a quorum is not present after a reasonable time from the time for the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum.

No director of the Manager can be counted in the quorum of, and no such director or the Manager nor any of their associates may vote at, any meeting of the Trust. This prohibition does not apply to any units held on behalf of, or jointly with, a person who, if himself the registered unitholder, would be entitled to vote and from whom the director, the manager or its associate have received voting instructions.

For these purposes, units held, or treated as held, by the Manager are not to be regarded as being in issue.

### 9.4 Voting at Meetings

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Under these procedures, a resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman of the meeting or by not less than two unitholders or by the Trustee. A demand by a proxy is deemed to be a demand by the member appointing the proxy. The chairman must exercise his power to demand a poll if requested to do so by the Manager.

Except where an extraordinary resolution is specifically required or permitted, any resolution of unitholders is passed by a simple majority of the votes validly cast at a general meeting of unitholders. On a show of hands every unitholder who is present in person has one vote.

In the case of an equality of, or an absence of, votes cast, the chairman is entitled to a casting vote. Where a resolution (including an extraordinary resolution) is required to conduct business at a meeting of unitholders and every unitholder is prohibited from voting in accordance with the COLL Rules, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Trustee to the process, instead be passed with the written consent of unitholders representing 50 per cent. or more, or for an extraordinary resolution 75 per cent. or more, of the units of the Trust in issue.

On a poll, votes may be given either personally or by proxy or in another manner permitted by the instrument constituting the Trust such that the voting rights for each unit must be the proportion of the voting rights attached to all of the units in issue that the price of the unit bears to the aggregate price or prices of all of the units in issue. A unitholder need not use all his votes or cast all his votes in the same way.

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

### 9.5 Proxies

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Every notice calling a meeting of a Trust must contain a reasonably prominent statement that a unitholder entitled to attend and vote may appoint a proxy. A unitholder may appoint another person to attend a general meeting and vote in his place as a proxy in accordance with the terms of the Trust Deed of the Trust, however, a unitholder may appoint more than one proxy to attend on the same occasion but a proxy may vote only on a poll.

Where a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any unitholder on the ground (however formulated) of mental disorder, the Manager may in its absolute discretion upon or subject to production of such evidence of the appointment as the Manager may require, permit such receiver or other person on behalf of such holder to vote on a poll in person or by proxy at any meeting of holders or class

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meeting or to exercise any right other than the right to vote on a show of hands conferred by ownership of units in relation to such a meeting.

## **9.6 Conduct of Meetings**

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A meeting of unitholders must have a Chairman, nominated by the Trustee (the "Chairman"). If the Chairman is not present after a reasonable time from the time for the meeting, the unitholders present must choose one of them to be chairman.

The Chairman may, with the consent of any meeting of unitholders at which a quorum is present and must, if so directed by the meeting, adjourn the meeting from time to time and from place to place. Business must not be transacted at any adjourned meeting, except business which might have lawfully been transacted at the original meeting.

The Manager must ensure that minutes of all resolutions and proceedings at every meeting of unitholders are made and kept and any minutes made are signed by the Chairman of the meeting of unitholders. Any minute made in accordance with these provisions is conclusive evidence of the matters stated in it.

## **10. General Information**

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### **10.1 Notice to Unitholders**

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Any notice or other document is duly served if it is delivered to the unitholder's address as appearing in the Register (the "Registered Address") or if it is delivered by electronic means in accordance with the COLL Rules.

Any notice or document served by post is deemed to have been served on the second Business Day following the day on which it is posted. Any notice or document delivered by hand and left at the Registered Address of the unitholder or delivered other than by post is deemed to have been served on that day.

### **10.2 Significant Influence**

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The Manager may not acquire, or cause to be acquired for a Trust, transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of the body corporate. If immediately before the acquisition, the aggregate of any such securities held for that Trust, taken together with any such securities already held for other funds of which it is also the Manager, gives the Manager power significantly to influence the conduct of business of that body corporate or the acquisition gives the Manager that power. For the purposes of this provision, a manager is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held for all the funds of which it is the manager, exercise or control the exercise of 20 per cent. 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).

### **10.3 Anti-Money Laundering Obligations**

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The Manager is required by law to have in place anti-money laundering systems and controls. In order to implement these requirements, additional information, including proof of identity, may be required from unitholders. The Manager may at its discretion delay or refuse to carry out a transaction (including but not limited to the right to withhold payment of the proceeds of a redemption of units or the payment of income on units to the unitholder) where this is in accordance with its money laundering obligations.

### **10.4 Taxation Reporting Obligations**

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The Manager is also required by law to collect and report information about a unitholder's tax residency and tax status and unitholders may be asked to provide self-certifications and tax reference numbers or the equivalent.

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The Manager is also required to provide to HMRC certain information regarding unitholders, payments made to unitholders and proceeds arising on the disposal of units, and HMRC may pass such information on to the tax authorities of another jurisdiction.

#### **10.5 Strategies for the Exercise of Voting Rights**

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The Manager must develop adequate and effective strategies for determining when and how voting rights attached to ownership of the Scheme property are to be exercised to the exclusive benefit of the Trust concerned.

The strategies must determine measures and procedures for monitoring relevant corporate events, ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant scheme and preventing or managing any conflicts of interest arising from the exercise of voting rights. Please see our Stewardship Policy on our website

<https://www.mcinroy-wood.co.uk/legal/important-disclosures>

# Schedule

## Part I – Eligible Securities Markets

**This includes the United Kingdom and** any securities market established in an EEA State (as defined in the Definitions section) on which transferable securities admitted to the official listing in the EEA State are dealt in or traded. However, until such time as the Manager and the Trustee deems them to be an Eligible Securities Market, Cyprus and Malta will not be treated as EEA states.

### Other Eligible Markets

Country	Securities Market
Australia	Australian Securities Exchange (ASX)
Brazil	Bolsa de <u>Valores</u> de Sao Paulo (BOVESPA)
Canada	Toronto Stock Exchange (TSX)
Chile	The Bolsa de Comercio de Santiago (BVS)
Colombia	Bolsa de <u>Valores</u> de Colombia (BVC)
Hong Kong	Hong Kong Exchanges (HKEX)
India	Bombay Stock Exchange (BSE) National Stock Exchange of India (NSE)
Indonesia	The Indonesia Stock Exchange (IDX)
Israel	The Tel-Aviv Stock Exchange (TASE)
Japan	Tokyo Stock Exchange
Kenya	Nairobi Securities Exchange (NSE)
Malaysia	Bursa Malaysia <u>Berhad</u>
Mexico	Bolsa Mexicana de <u>Valores</u> (BVM)
Morocco	Casablanca Stock Exchange
New Zealand	New Zealand Stock Exchange (NZX)
Nigeria	The Nigerian Stock Exchange
Philippines	Philippine Stock Exchange (PSE)
Singapore	Singapore Exchange Limited (SGX)
Switzerland	Zurich Stock Exchange

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<b>South Africa</b>	JSE Securities Exchange South Africa
<b>South Korea</b>	Korean Stock Exchange
<b>Taiwan</b>	Taiwan Stock Exchange
<b>Thailand</b>	The Stock Exchange of Thailand (SET)
<b>Turkey</b>	<u>Borsa Istanbul</u>
<b>United Kingdom</b>	Alternative Investment Market of London Stock Exchange EASDAQ EURONM London International Financial Futures & Options Exchange
<b>United States</b>	New York Stock Exchange NASDAQ
<b>Vietnam</b>	Ho Chi Minh Stock Exchange (HOSE) Hanoi Stock Exchange (HNX)

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## Part II – Determination of Net Asset Value

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The value of the Deposited Property of the Scheme shall be the value of its assets less the value of its liabilities determined in accordance with this Schedule. All the Deposited Property (including receivables) shall be included in determining the net asset value of the Deposited Property of the Scheme, subject to the following provisions.

- 1 Property which is not cash (or other assets dealt with in paragraph 3 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
  - (a) units or shares in a collective investment scheme shall be valued:
    - (i) if a single price for buying and selling units or shares is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
    - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the Manager, is fair and reasonable; and
  - (b) any other transferable security shall be valued:
    - (i) if a single price for buying and selling the security is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
    - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the Manager, is fair and reasonable; and
  - (c) property other than that described in (a) and (b) above shall be valued at a value which, in the opinion of the Manager, represents a fair and reasonable mid-market price.
- 2 Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 3 Property which is a contingent liability transaction shall be treated as follows:
  - (a) if a written option, (and the premium for writing the option has become part of the scheme property), there shall be deducted the amount of the net valuation of premium receivable and if the property is an off-exchange derivative the method of valuation shall be agreed between the Manager and Trustee; or
  - (b) if an off-exchange future, this shall be included at the net value of closing out in accordance with a valuation method agreed between the Manager and the Trustee; or
  - (c) if any other form of contingent liability transaction, this shall be included at the net value of margin on closing out (whether as a positive or negative value) and if the property is an off-exchange derivative, included at a valuation method agreed between the Manager and the Trustee.
- 4 In determining the value of the Deposited Property, all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 5 Subject to paragraphs 7 and 8 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 if, in the opinion of the Manager, their omission will 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 6.

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- 7 All agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property.
  - 8 There shall be deducted an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax and advance corporation tax, value added tax, and stamp duty.
  - 9 There shall be deducted an estimated amount for any liabilities payable out of the Deposited Property and any tax thereon treating periodic items as accruing from day to day.
  - 10 There shall be deducted the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
  - 11 There shall be added an estimated amount for accrued claims for tax of whatever nature which may be recoverable unless in the opinion of the Manager, their omission shall not materially affect the final net asset amount.
  - 12 There shall be added any other credits or amounts due to be paid into the Deposited Property.
  - 13 There shall be added a sum representing any interest or any income accrued, due or deemed to have accrued but not yet received.
  - 14 Currencies or values in currencies other than the base currency 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 holders or potential holders.
  - 15 In the event of any conflict arising between any provision of the above valuation provisions and the COLL Rules, the COLL Rules shall prevail, and these valuation provisions shall be construed and shall take effect accordingly.

**1 General**

It cannot be guaranteed that the Manager will achieve the objectives set out for any of the Trusts. Investors are reminded that there is no certainty that a Trust's investment objective will be achieved, and no warranty or representation is given to this effect.

Instructions for redemption are irrevocable.

**2 Return on Investment**

Investors should always bear in mind that the price of units in any unit trust and the income from them can go down as well as up.

Past performance is not a guide to future growth or rates of return. Investors may receive back less than they invested.

An investment in any of the Trusts should be regarded as a medium (3-5 years) to long-term investment. The Trust will however allow ready access to the investment.

**3 Currency Exchange Rates**

The Trusts are denominated in Sterling. This means that currency fluctuations may adversely affect the value of an investment in the Trusts.

**4 Large Redemptions**

If large numbers of units in one of the Trusts were to be redeemed at or around the same time, the Trust may be required to sell a large portion of its portfolio quickly to cover these deals, at a time or at prices not of the Manager's choosing. This might result in a reduction in the value of the Trust and in the prices achieved for securities sold by the Trust.

**5 Investment in Equities**

There are risks associated with investments in equities. For example, stock market prices, currencies and interest rates can fluctuate and can be affected unpredictably by diverse factors, including political and economic events. This may also impact the dividends paid by companies into the Trusts. Income distributions paid from the Income Fund may fluctuate and are not guaranteed.

**6 Investment in Smaller Companies**

Investment in the securities of small companies can involve greater risk than is customarily associated with investment in larger more established companies. Smaller companies often have limited product lines, markets or financial resources and may be dependent upon their management for a smaller number of key individuals. In addition, the market for securities in smaller companies is often less liquid bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value, or the risks to which they are exposed, may also not be available.

**7 Investment in Emerging Markets**

Investment in Emerging markets can be subject to risks not normally associated with developed markets. These risks may include instability of the economies of Emerging markets, political uncertainties, illiquidity of the market, dealing difficulties, settlement and custody practices. Investing in China through the Stock Connect program carries additional liquidity and volatility risk. Trading via Stock Connect is subject to an aggregate daily quota which limits the maximum cross-boundary trades permitted each day. Once this quota is reached, no further buy orders will be accepted. The Stock Connect program is also subject to additional regulations and listing rules imposed by China and the Shanghai and Shenzhen exchanges and is subject to restrictions on when markets are open and trading may occur.

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## **8 Investment in Bonds**

Bond prices and returns from investing in bond markets are sensitive to changes in interest rates which are in turn determined by a number of economic factors, in particular market expectations of future inflation. Investment in bonds also results in exposure to the risk that the bond issuer defaults on its obligations which is likely to result in a loss of value for the bondholder.

## **9 Exposure to Gold**

To gain exposure to gold the Trusts invest in gold exchange traded commodities (ETCs), which are debt securities, secured by the underlying gold. This means that if the value of the gold depreciates so too will the value of the ETCs. Compared to investments which spread investment risk more generally through a variety of sectors, gold price movements may have a greater effect on the overall value of the investment. Precious metal prices, including gold, are generally more volatile than most other asset classes, making investments riskier and more complex than other investments.

ETCs trade on exchanges like securities and are bought and sold at market prices which may be different to the net asset values of the ETCs.

## **10 Taxation**

Tax rates and the tax treatment of the Manager and Trusts are not guaranteed and could change at any point.

## **11 Suspension of Dealing in Units**

Investors are reminded that in certain circumstances their right to redeem units may be suspended as per Section 5.10 of this Prospectus.

## **12 Political Risk**

The performance of the Trust may be affected by changes or uncertainty in the political environment of the underlying markets in which the Trust invests. For example, changes to government policies or appropriations, legal, regulatory or tax changes or restrictions on the transfer of capital, military conflict and civil unrest.

## **13 Expenses, Costs and Charges being Charged to Capital**

As permitted by the COLL Rules, the Manager's periodic charge (see Section 7.1 "Manager's Charges") in relation to each Trust is to be treated as a capital charge and, therefore, debited to the capital property of the respective Trusts. This may result in capital erosion or constrain the capital growth of the Trusts.

## **14 Conflicts of Interest**

Transactions may be effected in which the Manager has, either directly or indirectly, an interest that may potentially involve a conflict of its obligations to one or more of the Trusts. Where a conflict cannot be avoided, the Manager will have regard to its fiduciary responsibility to act in the best interests of the Trusts and their Unitholders. The Manager will ensure that Unitholders are treated fairly and that such transactions are effected on terms which are not less favourable to a Trust and its Unitholders than if the potential conflict had not existed.

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## Part IV – Past Performance

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You can assess how well the Trusts have performed against their objectives to grow the real value of investors' capital and income by referring to the change in the UK Retail Price Index (RPI) over the same period.

	<b>12 months to 30 September 2024</b>	<b>12 months to 30 September 2023</b>	<b>12 months to 30 September 2022</b>	<b>12 months to 30 September 2021</b>	<b>12 months to 30 September 2020</b>
	per cent. Growth Rate				
<b>McInroy &amp; Wood Balanced Fund</b>	7.4	0.6	-2.1	12.6	6.3
<b>McInroy &amp; Wood Income Fund</b>	8.9	2.6	1.2	12.2	-2.0
<b>McInroy &amp; Wood Smaller Companies Fund</b>	7.7	6.5	-26.1	28.6	6.1
<b>McInroy &amp; Wood Emerging Markets Fund</b>	3.8	-7.2	-0.8	14.6	-6.4
<b>UK RPI</b>	2.7	9.1	12.6	4.9	1.1

Source: The Manager and UK RPI. Return on Investment is expressed as a percentage in UK Sterling, net of charges, including income retained within the relevant Trust.

# Appendix I

## List of Sub-Custodians

Country/Market	Subcustodian	Address
Argentina	The Branch of Citibank, N.A. in the Republic of, Argentina	Ciudad de Buenos Aires
Australia	Citigroup Pty Limited	Melbourne
Australia	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Austria	UniCredit Bank Austria AG	Vienna
Bahrain	HSBC Bank Middle East Limited	Kingdom of Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Belgium	The Bank of New York Mellon SA/NV	Brussels
Bermuda	HSBC Bank Bermuda Limited	Hamilton
Botswana	Stanbic Bank Botswana Limited	Gaborone
Brazil	Citibank N.A., Brazil	Sao Paulo
Brazil	Banco Santander (Brasil) S.A.	Sao Paulo
Bulgaria	Citibank Europe plc, Bulgaria Branch	Sofia
Canada	CIBC Mellon Trust Company (CIBC Mellon)	Toronto
Cayman Islands	The Bank of New York Mellon	New York
Channel Islands	The Bank of New York Mellon	New York
Chile	Banco Santander	Santiago
China	HSBC Bank (China) Company Limited	Shanghai
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Bogota
Costa Rica	Banco Nacional de Costa Rica	San José
Croatia	Privredna banka Zagreb d.d.	Zagreb
Cyprus	Citibank Europe Plc, Greece Branch	Athens
Czech Republic	Citibank Europe plc, organizacni slozka	Prague
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Egypt	HSBC Bank Egypt S.A.E.	Cairo
Estonia	SEB Pank AS	Tallinn
Euromarket	Clearstream Banking S.A.	Luxembourg

<b>Euromarket</b>	Euroclear Bank SA/NV	Brussels
<b>Finland</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>France</b>	BNP Paribas Securities Services S.C.A.	Pantin
<b>France</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Germany</b>	The Bank of New York Mellon SA/NV	Frankfurt
<b>Ghana</b>	Stanbic Bank Ghana Limited	Accra
<b>Greece</b>	Citibank Europe Plc, Greece Branch	Athens
<b>Hong Kong</b>	Citibank N.A. Hong Kong	Hong Kong
<b>Hong Kong</b>	Deutsche Bank AG	Hong Kong
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Hungary</b>	Citibank Europe plc. Hungarian Branch Office	Budapest
<b>Iceland</b>	Landsbankinn hf.	Reykjavik
<b>India</b>	Deutsche Bank AG	Mumbai
<b>India</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Indonesia</b>	Standard Chartered Bank, Indonesia Branch (SCB)	Jakarta
<b>Ireland</b>	The Bank of New York Mellon	New York
<b>Israel</b>	Bank Hapoalim B.M.	Tel Aviv
<b>Italy</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Japan</b>	Mizuho Bank, Ltd.	Tokyo
<b>Japan</b>	MUFG Bank, Ltd.	Tokyo
<b>Jordan</b>	Bank of Jordan	Amman
<b>Kazakhstan</b>	Citibank Kazakhstan Joint-Stock Company	Almaty
<b>Kenya</b>	Stanbic Bank Kenya Limited	Nairobi
<b>Kuwait</b>	HSBC Bank Middle East Limited, Kuwait	Safat
<b>Latvia</b>	AS SEB banka	Kekavas novads
<b>Lithuania</b>	AB SEB bankas	Vilnius
<b>Luxembourg</b>	Euroclear Bank SA/NV	Brussels
<b>Malawi</b>	Standard Bank PLC	Lilongwe
<b>Malaysia</b>	Standard Chartered Bank Malaysia Berhad (SCB)	Kuala Lumpur
<b>Malta</b>	The Bank of New York Mellon SA/NV	Frankfurt
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	Ebene

<b>Mexico</b>	Banco Nacional de México S.A. Integrante del Grupo Financiero Banamex	Ciudad de Mexico
<b>Mexico</b>	Banco S3 CACEIS Mexico, S.A., Institución de Banca Multiple	Ciudad de Mexico
<b>Morocco</b>	Citibank Maghreb S.A.	Casablanca
<b>Namibia</b>	Standard Bank Namibia Limited	Kleine Kuppe, Windhoek
<b>Netherlands</b>	The Bank of New York Mellon SA/NV	Brussels
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	Auckland
<b>Nigeria</b>	Stanbic IBTC Bank Plc.	Lagos
<b>Norway</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>Oman</b>	Standard Chartered Bank Oman branch	Muscat
<b>Pakistan</b>	Deutsche Bank AG `	Karachi
<b>Panama</b>	Citibank N.A., Panama Branch	Panama City
<b>Peru</b>	Citibank del Peru S.A.	Lima
<b>Philippines</b>	Standard Chartered Bank, Philippines Branch	Makati City
<b>Poland</b>	Bank Polska Kasa Opieki S.A.	Warszawa
<b>Portugal</b>	Citibank Europe Plc	Dublin
<b>Qatar</b>	Qatar National Bank	Doha
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Romania</b>	Citibank Europe plc Dublin, Romania Branch	Bucharest
<b>Russia</b>	AO Citibank	Moscow
<b>Russia</b>	PJSC ROSBANK	Moscow
<b>Saudi Arabia</b>	HSBC Saudi Arabia	Riyadh
<b>Serbia</b>	UniCredit Bank Serbia JSC	Belgrade
<b>Singapore</b>	DBS Bank Ltd	Singapore
<b>Singapore</b>	Standard Chartered Bank (Singapore) Limited	Singapore
<b>Slovak Republic</b>	Citibank Europe plc, pobočka zahraničnej banky	Bratislava
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	Ljubljana
<b>South Africa</b>	Standard Chartered Bank, Johannesburg Branch	Sandton
<b>South Africa</b>	The Standard Bank of South Africa Limited	Johannesburg
<b>South Korea</b>	Standard Chartered Bank Korea Limited	Seoul
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch	Seoul

<b>Spain</b>	Banco Bilbao Vizcaya Argentaria, S.A.	Bilbao
<b>Spain</b>	CACEIS Bank Spain, S.A.U.	Madrid
<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>Switzerland</b>	UBS Switzerland AG	Zurich
<b>Taiwan</b>	HSBC Bank (Taiwan) Limited	Taipei City
<b>Tanzania</b>	Stanbic Bank Tanzania Limited	Dar es Salaam
<b>Thailand</b>	The Hongkong and Shanghai Banking Corporation Limited	Bangkok
<b>Tunisia</b>	Union Internationale de Banques	Tunis
<b>Turkey</b>	Deutsche Bank A.S.	Istanbul
<b>U.A.E.</b>	HSBC Bank Middle East Limited (HBME)	Dubai
<b>U.K.</b>	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch	London
<b>U.K.</b>	The Bank of New York Mellon	New York
<b>U.S.A.</b>	The Bank of New York Mellon	New York
<b>U.S.A. Precious Metals</b>	HSBC Bank, USA, N.A.	New York
<b>Uganda</b>	Stanbic Bank Uganda Limited	Kampala
<b>Ukraine</b>	JSC "Citibank" Full name Joint Stock Company "Citibank"	Kiev
<b>Uruguay</b>	Banco Itaú Uruguay S.A.	Montevideo
<b>Vietnam</b>	HSBC Bank (Vietnam) Ltd	Ho Chi Minh City
<b>WAEMU</b>	Société Générale Côte d'Ivoire	Abidjan
<b>Zambia</b>	Stanbic Bank Zambia Limited	Lusaka
<b>Zimbabwe</b>	Stanbic Bank Zimbabwe Limited	Harare

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