Schroders

Schroder Unit Trusts Limited

Prospectus

6 November 2019

United Kingdom

SUTL Cazenove Charity Non-UCITS Fund

Schroder Unit Trusts Limited
SUTL Cazenove Charity Non-UCITS Fund

Prospectus

6 November 2019

Schroder Unit Trusts Limited
Internet Site: http://www.schroders.co.uk

Important information

SUTL Cazenove Charity Non-UCITS Fund (the Trust) is an umbrella Non-UCITS unit trust registered in England and Wales, and authorised by the Financial Conduct Authority (FCA) and registered with the Charity Commission for England and Wales (Charity Commission). The Trust may launch sub-trusts (the Funds) from time to time.

This Prospectus has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook (COLL) which forms part of the FCA Handbook of Rules and Guidance (the Regulations). It complies with the requirements of COLL 4.2. This Prospectus is dated, and is valid as at 6 November 2019.

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

As the Funds are authorised as non-UCITS retail schemes, they will not qualify for the cross border passporting rights conferred by the UCITS Directive on a UCITS scheme.

This Prospectus relates to the following Funds of the Trust:

Fund	Date authorised	FCA Product Reference Number
SUTL Cazenove Charity Multi-Asset Fund	01/05/2018	807967
SUTL Cazenove Charity Responsible Multi-Asset Fund	01/05/2018	807968

All Funds have been authorised by the FCA.

Contents

Definitions

Accumulation Unit

a Unit which accumulates the income arising in respect of that Unit so that it is reflected in the value of that Unit

AIFM

Alternative Investment Fund Manager pursuant to the AIFM Directive

AIFM Directive

Directive 2001/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers

AIFMD Rules

the provisions of: (i) Commission Delegated Regulation (EU) No 231/2013 supplementing the AIFM Directive with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision; and (ii) the provisions of the FCA Rules, including but not limited to, COLL and FUND, and any other applicable regulations implementing the AIFM Directive, in each case as may be altered, amended, added to or cancelled from time to time

Base Currency

the currency in which the Units, the accounts and the Unitholder's statement will be expressed (in each case GBP (£))

Business Day

a week day on which banks and the London stock exchanges are normally open for business in the UK. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday somewhere else or any other reason which impedes the calculation of the fair market value of the Fund or a significant position thereof, the Manager may decide that any business day shall not be construed as such.

Charity

(a) a charity within the meaning of Section 1 of the Charities Act; or (b) an organisation which is a charity as defined in paragraph 1(1) Schedule 6, Finance Act 2010

Charity Commission

The Charity Commission for England and Wales

COLL

the Collective Investment Schemes Sourcebook, issued by the Financial Conduct Authority, which provides a regime of product regulation for authorised funds and sets appropriate standards of protection for investors by specifying a number of product features of authorised funds and how they are to be operated.

Custodian

J.P. Morgan Chase Bank N.A (London Branch)

Dealing Day

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

Distribution Units

Units which distribute their income and capital on a total return basis

Eligible Investor

any person who is and who will remain, throughout the period for which the person is a Unitholder, a Charity.

ESMA

European Securities and Markets Authority

EUWA

European Union (Withdrawal Act (2018)

FCA

Financial Conduct Authority

FUND

the FUND Sourcebook, issued by the Financial Conduct Authority, which stipulates requirements for firms covered by the AIFM Directive

Funds

all the authorised unit trust funds listed in this Prospectus or, where the singular is used, any one of those funds

GBP (£)

pounds sterling

Investment Adviser

a discretionary fund manager to one or more of the Funds

Manager

Schroder Unit Trusts Limited or SUTL

Net Asset Value

the value of the scheme property attributable to a Fund less the liabilities of the Fund as calculated in accordance with the Trust Deed and the FCA Rules

Regulations

the rules as set forth by the Financial Conduct Authority in its Handbook of Rules and Guidance

Trust

SUTL Cazenove Charity Non-UCITS Fund

Trust Deed

the document constituting the Trust

Trustee

J.P. Morgan Europe Limited

UCITS

an "undertaking for collective investment in transferable securities" (a) established in an EEA State, within the meaning of points a) and b) of Article 1(2) of the UCITS IV Directive; or (b) (from the date on which the EUWA come into effect) established in an EEA state or the UK, within the meaning of section 236A of the Financial Services and Markets Act 2000, as amended UCITS Directive

Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS

Unit

a unit in a Fund (or a fraction)

Unitholder

a holder of a Unit in a Fund, being a Charity

UK

United Kingdom

US Person

any person defined as a US person under Regulation S of the United States Securities Act 1933

USA or US

the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction

Management

Manager

The Manager of the Trust and its Funds is Schroder Unit Trusts Limited (the Manager), a company incorporated on 2nd April 2001 in England and Wales and authorised by the FCA with effect from December 2001. The Trust and its Funds have an unlimited duration.

The Manager is the alternative investment fund manager (AIFM) of the Funds for the purposes of the AIFM Directive and is authorised as an AIFM by the FCA in accordance with the AIFMD Rules.

Registered Office

1 London Wall Place
London EC2Y 5AU

Share Capital

Issued £9,000,001
Paid up £9,000,001

Directors

G. Henriques (Chairman)

J. Barker
P. Chislett
P. Middleton
P. Truscott
C. Thomson
J.A. Walker-Hazell
H. Williams

None of the above is engaged in any significant business activity which is not connected with the business of the Manager or any of its Associates

Ultimate Holding Company

Schroders plc, a company incorporated in England and Wales

Principal Duties and Activities of the Manager

The Manager is responsible for the portfolio management and risk management of the Trust and its Funds in accordance with the AIFMD Rules. The duties and powers of the Manager include the following:

(A) giving instructions to the Trustee with respect to the creation and cancellation of Units;

(B) the management of the investments of the Funds in conformity with their Investment Objective and Policy as set out in this Prospectus;

(C) the duty to ensure that regular valuations of the scheme property are carried out and to ensure that the Units are correctly priced;

(D) the making and revision of the Investment Objective and Policy of the Funds;

(E) keeping a daily record of Units, including the type of such Units, which the Manager has purchased or sold on behalf of the Trustee;

(F) preparing a report and accounts of the Trust and its Funds in respect of every accounting period and preparing an annual report in respect of each Fund;

(G) the provision of certain information to the Trustee;

(H) the supervision and oversight of any delegate which it has appointed; and

(I) taking all other action as necessary for the administration and management of the Trust and its Funds other than those duties or powers which have been imposed or conferred on the Trustee by the Trust Deed.

Functions Delegated by the Manager

The Manager has delegated the following functions:

(A) Investment management to Schroder & Co. Ltd.;

(B) Fund Accounting to J.P. Morgan Europe Limited; and

(C) Transfer Agency / Customer Enquiries and Registration to DST Financial Services International Limited.

Investment Management

The Manager has delegated the portfolio management of the Trust's Funds to the Investment Adviser, Schroder & Co. Ltd.

The Manager and the Investment Adviser are subsidiary companies of Schroders plc.

Schroder & Co Ltd.

Schroder & Co. Limited is a company incorporated in England and Wales, whose registered office and principal place of business is at 1 London Wall Place, London, EC2Y 5AU. Schroder & Co. Limited is authorised by the Prudential Regulation Authority and regulated by the FCA and Prudential Regulation Authority.

Terms of Agreement with Manager

The appointment of the Investment Adviser has been made under agreement between the Manager and the Investment Adviser. The Investment Adviser has full discretionary powers over the investment of the property of the Trust and its Funds subject to the overall responsibility and right of veto of the Manager. The agreement between the Manager and the Investment Adviser is terminable on two months' notice by either party thereto or without notice in the event of a material breach for 30 days or more by the other party and in certain insolvency or similar events. The agreement between the Manager and Investment Adviser may also be terminated with immediate effect when this is in the interests of Unitholders.

Principal Duties and Activities of the Investment Adviser

The principal activities of the Investment Adviser are fund management and investment advice. The Investment Adviser is authorised to deal on behalf of the Trust and its Funds. The Investment Adviser shall be entitled to receive for its own account by way of remuneration for their services a fee of such amount and payable on such basis as shall be agreed in writing from time to time between the parties.

Administration

Trustee

The trustee for the Trust is J.P. Morgan Europe Limited (the Trustee).The Trustee is a company limited by shares and incorporated in England and Wales. It is authorised by the FCA. The Trustee is the Depositary of each fund for the purpose of the AIFM Directive.

Registered Office of the Trustee

25 Bank Street
Canary Wharf
London E14 5JP

Head Office of the Trustee

Chaseside
Bournemouth BH7 7DA

Ultimate Holding Company of the Trustee

JPMorgan Chase & Company, incorporated in Delaware, USA

Principal office for unit trust business of the Trustee

Chaseside
Bournemouth BH7 7DA

Principal Business Activity of the Trustee

To act as trustee and depositary of collective investment schemes

Principal Duties and Activities of the Trustee

The duties and powers of the Trustee in its role as Depositary of the Trust and its Funds include the following:

(A) general oversight responsibilities including the provision of information to the Manager, safekeeping of the scheme property and preparation and delivery of the annual report to Unitholders; and

(B) asset monitoring and verification responsibilities including cash flow monitoring, asset verification, obligations relating to the prevention of anti-money laundering.

In accordance with the Trust Deed neither the Trustee, nor the Custodian, or any other sub-custodian shall be permitted to re-use the scheme property.

The Trust Deed does not provide for any contractual discharge of the liability of the Trustee in its role as Depositary of the Trust. Any changes to the liability of the Trustee in its role as Depositary of the Trust will be disclosed to investors on www.schroders.co.uk without delay.

Fund Accounting

The Manager has delegated the functions of fund accounting services and valuation and pricing to J.P. Morgan Europe Limited, 25 Bank Street, Canary Wharf, London E14 5JP. The Trustee has functionally and hierarchically separated the performance of its Depositary functions from its tasks as an external valuer of the Trust and its Funds.

Customer Enquiries

The Customer Enquiries, Contract Settlement, Unit Issues and Redemptions, Distribution of Income and Record Keeping function has been delegated to DST Financial Services International Limited, DST House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Auditor

The auditor of the Trust is PricewaterhouseCoopers LLP (the Auditor) whose principal place of business is at Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

The Manager has entered into an engagement letter with the Auditor whereby the Auditor agrees to provide annual audit services to the Trust and its Funds and to audit the Trust's financial statements in accordance with the Statement of Recommended Practice for financial statements of authorised funds issued by the Investment Association in May 2014.

Register of Unitholders

The Manager is responsible for maintaining the register for the Trust and its Funds. It has delegated certain registrar functions to DST Financial Services International Limited, DST House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Custodian

The Trustee has appointed J.P. Morgan Chase Bank N.A (London Branch) as the Custodian of the property of the Trust and its Funds (Custodian). The Trustee has delegated the function of safe-keeping of the Funds' assets for the purposes of the AIFM Directive to the Custodian.

Legal Advisers

Simmons & Simmons LLP are the legal advisers to the Trust as to matters of English law in connection with the offering of Units and subsequent advice to the Funds. Simmons & Simmons LLP has not represented, and will not represent, Unitholders in the Funds in respect of their investment in the Funds.

Section 1

1. The Funds

1.1. Structure

The Trust was established by a Trust Deed (the Trust Deed), dated 1 May 2018, between the Manager and the Trustee. The Trust is structured as an "umbrella" unit trust meaning that different sub-funds may exist within the Trust. New sub-funds may be established from time to time by the Manager with the agreement of the Trustee and the approval of the FCA. On the establishment of a new sub-fund an updated prospectus and Trust Deed will be prepared setting out the relevant information concerning the new sub-fund.

Under the umbrella unit trust structure the assets of any particular sub-fund are treated as separate from those of every other sub-fund, commonly described as segregated liability, and will be invested in accordance with that sub-fund's own investment objective and policy (for further information on segregated liability refer to the "Umbrella structure of the Trust and Cross Liability Risk" section of the Risk Warnings).

The Trust is a Charity registered with the Charity Commission. It is established exclusively to further the charitable purposes of the Charities that directly or indirectly hold Units in the Funds that have been launched by the Manager from time to time.

The investment object of the Trust as stated in the Trust Deed is to invest the property of the Trust with the aim of spreading investment risk and giving Unitholders the benefit of the results of the management of that property. Unitholders hold Units which reflect the value of the assets, held by a Fund. Unitholders will in no event be liable for the debt, if any, of the Funds.

1.2. Notifications of Changes to the Trust and/or a Fund

The terms of the Trust and its Funds including the terms of their investment objectives and policies, may, subject to the provisions of and in accordance with COLL, be amended from time to time. In all cases, amendments will be notified to Unitholders. The nature of the notice given to Unitholders by the Manager will depend on the nature of the changes proposed, as deemed by the Manager in consultation with the Trustee. Changes may be fundamental, significant or notifiable.

For all amendments that are not significant or fundamental, Unitholders of the Trust and/or the relevant Fund, as applicable, will be informed at or after the date the implementation of the change takes place.

Where amendments are deemed by the Manager to be significant to the Trust and/or the relevant Fund, Unitholders will be provided with at least 60 days' prior notice before the amendment.

Where the amendments are deemed by the Manager to be fundamental to the Trust and/or the relevant Fund, Unitholders will be required to approve the change by way of an extraordinary resolution at a meeting of Unitholders.

1.3. Eligibility to Participate

Only Eligible Investors will be eligible to invest in Funds of the Trust. Units of each Fund will only be marketed to Eligible Investors (or persons acting on their behalf). Unitholders and prospective Unitholders will be required to provide such information and/or documentation as the Manager requires, to enable the Manager to satisfy itself that such Unitholders or potential Unitholders are, and continue to be, Eligible Investors, and are permitted to hold Units in a Fund. The Manager will require evidence of the charitable status of applicants and may defer the issue of units until such time as the status of the applicant has been confirmed. The registered charity number or the HM Revenue & Customs exemption number (prefixed by an 'x', 'xn', or 'xr') must be supplied.

The Manager may impose or relax restrictions on any Units and, if necessary, require redemption of Units to ensure that Units are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or government or regulatory authority or which might have adverse taxation or other pecuniary consequences for a Fund including a requirement to register under the laws and regulations of any country or authority. The Manager may in this connection require an investor to provide such information as they may consider necessary to establish whether the investor is the beneficial owner of the units which they hold.

If it comes to the attention of the Manager at any time that Units are owned by an investor that the Manager deems to be ineligible, the Manager will have the right to compulsorily redeem such units.

1.4. The Advisory Committe

Under the terms of the Trust Deed, an advisory committee (the Advisory Committee) has been appointed in relation to the Trust. The Advisory Committee is a consultative body only with no executive powers and is independent of the Manager and the Trustee. The Advisory Committee represents the interests of Unitholders in the Trust and consults with and makes representations to the Manager and to the Trustee in respect of the management and administration of the Trust, including (without limitation) in relation to the appointment by the Manager and the Trustee of delegates providing key services in respect of the Trust; the investment objective and policy of the Funds; the income distribution policy of the Funds; and the fees and charges borne or to be borne by any class of Units of a Fund (including any changes proposed to the fees and charges.

The following persons are members of the Advisory Committee of the Trust (the Advisory Committee).

M. Pomery (Chairman)
C. Brown
D. Gibbons
R. Hills
C. Fraser
J. Brooke Turner

The Advisory Committee will comprise persons who have relevant experience in either or both charity finance and investment management. It will have a minimum of four members and a maximum of six members. The standard term of service will be five years and the Advisory Committee will meet at least twice in each calendar year. The quorum for the Advisory Committee will be three members present at a meeting.

New members of the Advisory Committee or members seeking reappointment to the Advisory Committee may be appointed at a meeting of the Advisory Committee by a majority decision. Prospective members of the Advisory Committee can be nominated by the Advisory Committee, the Manager or the Trustee. Unitholders may also nominate themselves for election to the Advisory Committee by applying to the Secretary of the Advisory Committee (the Secretary) in writing. The Secretary will contact Unitholders inviting nominations when vacancies arise. The deadline for receiving such nominations will be at least 14 days before the Advisory Committee meets to make such appointment decisions. The Advisory Committee must give at least 21 days' notice of such meetings.

New members may be appointed not more than one calendar month before the term of an existing Advisory Committee member expires with effect from the date of expiry but so that the latter shall not vote on the matter of his own reappointment.

A member of the Advisory Committee may stand down or be stood down from the Advisory Committee if he or she:

1) is absent from at least three consecutive ordinary meetings of the Advisory Committee; or

2) is incapacitated; or

3) resigns by giving notice in writing to the Advisory Committee; or

4) is given notice in writing by the Advisory Committee indicating the cessation of his or her membership, following a majority decision by the Advisory Committee to retire that member.

The Advisory Committee at their first ordinary meeting in each year shall elect one of their number to be Chairman of their meetings until the commencement of the first ordinary meeting in the following year. The Chairman shall always be eligible for re-election. If at any meeting the Chairman is not present within 10 minutes after the time appointed for holding the same or there is no Chairman, the Advisory Committee members present shall choose one of their number to be Chairman of the meeting.

A special meeting of the Advisory Committee may be called at any time by the Chairman or any two Committee members giving not less than 4 days' notice to the Advisory Committee members of the matters discussed, but if the matters include an appointment of a Committee member then upon not less than 21 days' notice being so given. A special meeting may, but need not, be summoned to take place immediately before or after an ordinary meeting.

Advisory Committee members shall be entitled to be paid out of the property of the Funds any reasonable costs or expenses incurred by them in carrying out their duties including the cost of remunerating any secretary appointed. Such reasonable costs or expenses may be drawn proportionately from the property of the Funds as and when they occur.

Advisory Committee members shall be entitled to be paid out of the property of the Funds any reasonable costs or expenses incurred by them in carrying out their duties including the cost of remunerating any secretary appointed. Such reasonable costs or expenses may be drawn proportionately from the property of the Funds as and when they occur.

The Advisory Committee may request the Manager to include a statement in the annual report and accounts which may cover such matters as:

- how the Advisory Committee is discharging its role and responsibilities;
- any observations the Advisory Committee have made on how the Manager has carried out its functions during the annual accounting period; and
- any other matters the Advisory Committee considers of interest to the Unitholders.

The Manager or Trustee must convene an Extraordinary General Meeting of Unitholders if it receives a notice from the Advisory Committee which:

- states the objects of the meeting;
- is dated; and
- is signed by or on behalf of the Advisory Committee.

The Manager or the Trustee must ensure the Extraordinary General Meeting of a Fund takes place no later than eight weeks after receipt of such a notice.

1.5. Classes of Units

Unitholders are entitled to participate in the property of a Fund and the income from that property in proportion to the number of undivided shares in the Fund represented by the Units held by them. The nature of the right represented by Units is that of a beneficial interest under a trust.

The Trust Deed permits the issue of a number of different classes and types of Units. At the moment, each class may be made available as either Distribution Units and/or Accumulation Units. A Distribution Unit represents one undivided Unit which pays distributions and an Accumulation Unit represents an undivided unit with the income arising from that undivided unit being reflected in the Accumulation unit value. The nature of the right represented by Units is that of a beneficial interest under a trust. The classes and types of Units that are currently available are stated in Appendix III.

Each class of Unit described in Appendix III may vary in characteristics such as whether it accumulates or pays out income or attracts different fees and expenses, and as a result of this monies may be deducted from classes in unequal proportions. In these circumstances the proportionate interests of the classes within a Fund will be adjusted in accordance with the provisions of the Trust Deed of that Fund relating to proportion accounts, details of which are set out under "Proportionate Accounts" below.

The Trustee may create one or more classes of Units as instructed from time to time by the Manager. The creation of additional Unit classes will not result in any material prejudice to the interests of Unitholders of existing Unit classes.

1.5.1. A Units

The target market for A Distribution and A Accumulation Units is UK registered Charities.

1.5.2. S Units

S Class Distribution and S Class Accumulation Units are available at the Manager's discretion to certain clients of the Schroder group wealth management business that qualify as Charities. Before the Manager can accept a subscription into S Units, a legal agreement must be in place between the investor and the relevant entity within the Schroder group wealth management business containing terms specific to investment in the S Units.

In the event that a Unitholder of the S Unit ceases to be a client of the Schroder group wealth management business, the Unitholder will cease to be eligible to hold S Units and the Manger will compulsorily switch the Unitholder into the most appropriate Distribution and/or Accumulation (as appropriate) Unit class of the fund. This means that the switch of S Units will be automatic without the need for Unitholders to submit a switching request to the Manager. Instead, by subscribing for S Units, Unitholders irrevocably permit the Manager to switch S Units on their behalf should they cease to be eligible to invest in the S Units.

1.6. Proportion Accounts

If more than one type of Unit class is in issue in a Fund, the proportionate interests of each class in the assets and income of the Fund shall be ascertained as set out in the Trust Deed, the relevant provisions being set out as follows:

A notional account will be maintained for each class. Each account will be referred to as a "Proportion Account".

The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time. The proportionate interest of a class of Unit in the assets and income of a Fund is its "proportion".

These will be credited to a Proportion Account:

- the subscription money (excluding any initial charges) for the issue of Units of the relevant class;
- that class's proportion of the amount by which the Net Asset Value of the Fund exceeds the total subscription money for all Units in the Fund;
- that class's proportion of the Fund's income received and receivable; and
- any notional tax benefit.

These will be debited to a Proportion Account:

- the redemption payment for the cancellation of Units of the relevant class;
- the class's proportion of the amount by which the Net Asset Value of the Fund falls short of the total subscription money for all Units in the Fund;
- all distributions of income (including equalisation if any) made to Unitholders of that class;
- all costs, charges and expenses incurred solely in respect of that class;
- that class's share of the costs, charges and expenses incurred in respect of that class and one or more other classes in the Fund, but not in respect of the Fund as a whole;
- that class's share of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole; and
- any notional tax liability.

Any tax liability in respect of the Fund and any tax benefit received or receivable in respect of the Fund will be allocated between classes in order to achieve, so far as possible, the same result as not materially to prejudice any class. The allocation will be carried out by the Manager after consultation with the Fund's auditors.

The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Fund to Unitholders or the other way round.

Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.

When Units are issued thereafter each such Unit shall represent the same proportionate interest in the property of the Fund as each other Unit of the same category and class then in issue in respect of that Fund.

Each Fund shall allocate the amount available for income allocation (calculated in accordance with COLL) between the Units in issue relating to the Fund according to the respective proportionate interests in the property of the Fund represented by the Units in issue at the valuation point in question.

Section 2

2. Dealing in Units

2.1. Buying and Selling Units

The dealing office of the Manager is open from 9.00 a.m. until 5.30 p.m. each Business Day during which the Manager may receive requests for the buying and selling of Units. The time and price at which a deal takes place depends on the requirements of COLL affecting the pricing of Units.

Instructions accepted by the Manager before the valuation point as specified in Appendix III, will normally be executed at the relevant price per Unit, as defined below under paragraph 2.2.5, calculated on that Dealing Day (less any applicable redemption charge).

With the consent of the Trustee, the dealing office of the Manager may be open on days other than Business Days. On these other days, restrictions may be added to the opening hours and the types of business accepted.

The Units in the Funds are not listed or dealt in on any investment exchange.

2.1.1. Buying

Units in a Fund may be purchased by sending a completed application form to the Manager or by telephoning **0800 718 788** (Dealing). Please note that telephone calls may be recorded. In addition, the Manager may from time to time make arrangements to allow Units to be bought online or through other communication media. <u>The Manager may accept transfer of title by electronic communication</u>.

A contract note giving details of the Units purchased will be issued no later than the next Business Day after the Dealing Day on which an application to purchase Units is valued by the Manager.

The Manager will not accept an application for Units to the value of less than the minimum subscription amount as defined in Appendix III. If a holding falls below the minimum holding then the Manager reserves the right to redeem the Units on behalf of the Unitholder. The Manager reserves the right to reduce or waive the minimum investment levels.

The Manager reserves the right to reject, on reasonable grounds, any application for Units in whole or in part. The Manager will return any money sent, or the balance, for the purchase of Units, at the risk of the applicant.

2.1.2. Pricing Basis

The Manager currently deals daily on a forward pricing basis, i.e. at prices calculated by reference to the value of the property of a Fund at the next valuation point.

2.1.3. Certificates and Title

Certificates are not issued to Unitholders. Title to Units is evidenced by the entry on the register of Unitholders of the relevant Fund(s). Details of the register of Unitholders can be found under "Administration" above.

2.1.4. Selling

At any time during a Dealing Day when the Manager is willing to sell Units it must also be prepared to buy back Units. The Manager may refuse to buy back a certain number of Units if the redemption will mean that the Unitholder is left holding Units with a value of less than the minimum initial subscription amount.

Requests to sell Units in a Funds may be made by sending clear written instructions to the Manager or by telephoning on **0800 718 788** (Dealing). Please note that telephone calls may be recorded. In addition, the Manager may from time to time make arrangements to allow Units to be sold online or through other communication media. <u>The Manager may accept transfer of title by electronic communication</u>.

A contract note giving details of the number and price of the Units sold back to the Manager will be sent to Unitholders no later than the next Business Day after the Units were valued. In the event that the Manager requires a signed form of renunciation, a form of renunciation will be attached. Redemption cheques will be issued within four Business Days of receipt by the Manager of the instruction and, if appropriate, the duly completed documentation.

2.1.5. Switching

A Unitholder may switch all or some of his or her Units within classes of the same Fund or for Units of any class within a different Fund. A switch involves the sale of the original Units and the purchase of new Units on the same Dealing Day. The number of new Units issued will be determined by reference to the respective prices of the old and new Units at the valuation point applicable when the old Units are sold and the new Units are bought.

If the switch results in a Unitholder holding a number of old Units or new Units of a value which is less than the minimum holding of the Fund concerned, the Manager may, at its discretion, convert the whole of the Unitholder's holdings of old Units to new Units or refuse to effect any switch of the old Units. No switch will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. The general provisions on selling Units shall apply equally to a switch.

Requests to switch Units may be made by sending a completed application form to the Manager. In addition, the Manager may from time to time make arrangements to allow Units to be switched online or through other communication media. <u>The Manager may accept transfer of title by electronic communication</u>.

When a Unitholder wishes to transfer Units to another Charity, rather than sell its Units, it may make such request in writing to the Manager, naming the Charity which is to be the recipient of the Units. The Manager will require evidence of the charitable status of the Charity to which the transfer is to be made and a written instruction to transfer the Units signed by the Charity from which the transfer is being made.

2.1.6. In-specie Transfers

A Unitholder who requests the subscription or redemption of a number of Units representing in value not less than £ 1,000,000 may (either at his request or by election of the Manager) receive in respect of such redemption an in-specie transfer out of the property of the Fund in question in accordance with the Regulations. This minimum may be waived at the Manager's discretion, in respect of subscriptions or redemptions. All in-specie transfers will be at the discretion of the Manager and Trustee, and the Manager must have taken reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of Unitholders.

2.1.7. Transfers of Units between Charities

Unitholders may request a transfer of Units to another Charity by sending a stock transfer form in the normal way. The Manager may accept electronic instructions to transfer Units.

2.1.8. Re-issue of Units

The Manager is under no obligation to account to the Trustee or to Unitholders for any profit it makes on buying or selling Units.

2.2. Pricing of Units

2.2.1. Valuation Point

The valuation points of the Funds are stated in Appendix III. Funds are valued on Business Days. This is with the exception of Christmas Eve and New Years Eve or the last Business Day prior to those days annually, when the valuation may be carried out at a time agreed in advance between the Manager and the Trustee.

For non Business Days, valuations may be carried out at a time agreed in advance between the Manager and the Trustee.

The Manager may also, if the Trustee agrees, change the valuation point on any day. The Manager may also carry out an additional valuation, if the Manager believes that due to exceptional circumstances there is good and sufficient reason to do so, having regard to the interests of Unitholders or potential Unitholders.

2.2.2. Valuation of Property

The valuation determines the net Asset Value of the Funds. Please see Appendix V for a description of how the value of the property of each Fund is determined.

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

2.2.3. Publication of Prices

The most recent buying and selling prices will appear daily on Cazenove Capital's website: www.cazenovecapital.com/charities . This is our primary method of price publication.

2.2.4. Equalisation

When an incoming Unitholder purchases a Unit during an accounting period, part of the purchase price will reflect the relevant share of accrued income in the Net Asset Value of the Fund. The first allocation of income in respect of that Unit refunds this amount as a return of capital. The amount of income equalisation is calculated by dividing the aggregate of the amount of income included in the creation price of Units of the type in question issued or re-issued in a grouping period by the number of those Units and applying the resulting average to each of the Units in question.

Grouping periods are consecutive periods within each annual accounting period, being the interim or half yearly accounting periods (including the period from the end of the last interim or half yearly accounting period in an annual accounting period to the end of that annual accounting period) as specified in Appendix III. If there is no distribution of income at the interim or half yearly accounting periods, the periods for grouping of Units will be annual accounting periods. Grouping is permitted by the Trust Deeds for the purposes of equalisation.

2.2.5. Calculation of Net Asset Value

The value of the property of each Fund shall be determined in accordance with the relevant rules set out in Appendix V.

2.2.6. Liquidity Risk Management

The Manager has, in accordance with the AIFMD Rules, established a comprehensive liquidity risk monitoring framework to ensure that all the dimensions of liquidity risk are identified, assessed and monitored on an on-going basis. This includes liquidity stress test scenarios that are designed to assess the resilience of the liquidity profile of the Funds to a combination of:

- very unfavourable market liquidity conditions; and
- large-scale, short-notice capital outflows.

The objective is to ensure that the Funds are able to comply as far as possible at all times, and under stressed market conditions, with the relevant regulatory repurchase obligations and that the liquidity of the Funds remains in line with the respective investment policy and overall risk profile.

In exceptional circumstances such as market liquidity dislocation and in the best interests of the Fund and its investors, the Manager has implemented special procedures to suspend redemption requests on a temporary basis as further detailed below.

2.2.7. Suspension

The Manager may, if the Trustee agrees, or shall if the Trustee so requires, temporarily suspend the issue, cancellation, sale and redemption of Units if the Manager or Trustee (in the case of any requirement by the Trustee), believes that due to exceptional circumstances there is good and sufficient reason to do so, having regard to the interests of Unitholders or potential Unitholders. During the suspension none of the obligations in COLL 6.2 (Dealing) will apply but the Manager will comply with COLL 6.3 (Valuation and Pricing) during the period of suspension to the extent practicable in light of the suspension.

On suspension, the FCA shall be immediately notified and as soon as practicable given written confirmation of the reasons for the suspension. Unitholders will be notified of any suspension as soon as practicable after the suspension commences, including details of the exceptional circumstances which have led to the suspension and giving Unitholders details of how to find further information about the suspension.

The suspension shall only continue for as long as the Manager and Trustee deem it to be justified in the circumstances having regard to the interests of Unitholders. Where such suspension takes place, the Manager will publish details on its website or by other general means, giving sufficient details to keep Unitholders appropriately informed about the suspension, including, if known, its possible duration. The suspension will be reviewed at least every 28 days and Unitholders will be notified of any suspension as soon as practicable after the suspension commences.

Re-calculation of dealing prices will commence on the Business Day immediately following the end of the suspension, at the relevant valuation point.

2.2.8. Deferred Redemption

The Trust permits deferral of redemptions in a Fund at a valuation point to the next valuation point where the requested redemptions exceed 10% of the Fund's value.

Redemptions not processed at a valuation point will be processed at the next valuation point, up to the 10% Net Asset Value limit.

Available Units to be redeemed will be bought back in equal values (up to the amounts requested) across all Unitholders who have sought to redeem Units at any valuation point at which redemptions are deferred. All deals relating to an earlier valuation point will be completed before those relating to a later valuation point are considered.

2.3. Market Timing Policy, Late Trading Policy and Fair Value Pricing

The Manager does not knowingly allow investments which are associated with market timing activities, as these may adversely affect the interests of all Unitholders.

In general, market timing refers to the investment behaviour of a person or group of persons buying, selling or switching Units on the basis of predetermined market indicators. Market timing may also be characterised by transactions that seem to follow a timing pattern or by frequent or large transactions in Units.

In practice, the underlying property of a Fund which invests in non-European markets or other collective investment schemes is usually valued on the basis of the last available price as at the time when the Net Asset Value of the property in the Fund in calculated. The time difference between the close of the markets in which the Fund invests, and the point of valuation, can be significant. For example, in the case of a US traded security, the last available price may be as much as 14 hours old. Market developments which could affect the value of these securities can occur between the close of the markets and the point of valuation, will therefore not normally be reflected in the Net Asset Value per Unit of the relevant Fund.

Accordingly, the Manager may, whenever it is deemed it to be appropriate and in the interests of Unitholders, implement one, or both of the following measures:

- to reject any application for switching and/or subscription of Units from Unitholders or potential Unitholders whom it considers to be associated with market timing activity. In such circumstances the Manager may combine Units which are under common ownership or control for the purposes of ascertaining whether Unitholders can be deemed to be involved in such activities; and
- where a Fund is invested in markets which are closed for business at the time a Fund is valued, allow for the Net Asset Value per Unit to be adjusted to reflect more accurately the fair value of the Fund's underlying property at the point of valuation (fair value pricing).

The Manager uses an independent agent to provide fair valuation analysis. The adjustment of the Net Asset Value per Unit of a Fund so as to reflect the fair value of the portfolio as at the point of valuation is an automated process. Adjustment factors are applied daily at an individual asset level to independently sourced market prices. The adjustment process covers all equity markets that are closed at the relevant Valuation Point and all Funds that have exposure to these markets are fair value priced. In applying fair value pricing, the Manager is seeking to ensure that consistent prices are applied across all relevant Funds. Fixed income and other asset classes are currently not subject to fair value pricing.

Late Trading is not permitted. "Late Trading" is defined as the acceptance of a subscription, redemption or switch order received after the Fund's applicable valuation point for that Dealing Day. As such, orders will not be accepted using the price established at the valuation point for that Dealing Day if orders are received after that time. Late Trading will not include a situation in which the Manager is satisfied that orders which are received after the valuation point have been made by investors before then (e. g. where the transmission of an order has been delayed for technical reasons).

Section 3

3. General Information

3.1. Charges and Expenses

3.1.1. Manager's Charges

Initial Charge

The Manager is entitled under the Trust Deed to make an initial charge which is included in the issue price of a Fund's Units (the Initial Charge). The Initial Charge may be waived at the Manager's discretion. The Manager does not currently apply an Initial Charge.

Annual Management Charge

The Manager is also entitled under the Trust Deed to receive an annual management charge (the Annual Management Charge) out of the property of each Fund.

The Annual Management Charge is accrued on the prior day's Net Asset Value of the Fund (or, where more than one Unit class is in issue, on a class by class basis). For this purpose the value of a Fund is inclusive of the creations and cancellations which take effect as at the relevant valuation point. This charge is accrued daily and payable on, or as soon as is practicable after, the last Business Day in that calendar month. The current rate of the Annual Management Charge for each Fund is set out in Appendix III.

Administration Charge

The Manager does not currently apply an administration charge to Charity Funds.

Redemption Charge

The Trust Deed contains a provision for the Manager to impose a redemption charge but at present, there are no plans to introduce such a charge.

3.1.2. Increase in Initial Charge or Annual Management Charge

An increase of the Initial Charge, or the Annual Management Charge may be made by the Manager in consultation with the Advisory Committee and the Trustee. If the change is deemed by the Manager to be significant rather than a fundamental change, as set out in the provisions of COLL the change may be made only after:

(A) giving 60 days written notice to the Unitholders (in the case of an increase of the Annual Management Charge) or the regular savers (in the case of the Initial Charge); and

(B) the Manager revising the Prospectus to reflect the proposed increase.

If the change is deemed fundamental, it will require the approval of the Unitholders.

3.1.3. Trustee's Fees and Expenses

The Trustee's remuneration, which is payable out of the assets of each Fund, is a periodic charge at such annual percentage of the value of the property of each Fund as set out below, with the property of each Fund (or, where more than one Unit class is in issue, on a class by class basis), being valued and such remuneration accruing and being paid on the same basis as the Annual Management Charge.

Currently, the Manager and the Trustee have agreed that the Trustee's remuneration in respect of each Fund shall be calculated on a sliding scale as follows:

On the first GBP 500 million	0.009%
On the next GBP 500 million	0.005%
On balances greater than GBP 1 billion	0.001%

The Trustee is also entitled to receive remuneration out of the property of each Fund, for performing or arranging for the performance of the functions conferred on the Trustee by the Trust Deed or COLL in respect of that Fund. The Trustee's remuneration under this paragraph shall accrue when the relevant transaction or other dealing is effected and shall be paid in arrears on the next following date on which payment of the Trustee's periodic charge is to be made or as soon as practicable thereafter. Currently the Trustee does not receive any remuneration or service charges under this paragraph.

The Trustee is permitted to increase its remuneration subject to the agreement of the Trustee and Manager. If the change materially increases the payment out of the Fund, written notice will be given to Unitholders in the same manner as for an increase to the Annual Management Charge.

Trustee's Expenses

In addition to the remuneration referred to above, the Trustee will be entitled to receive reimbursement for expenses properly incurred by it in the discharge of its duties or exercising any of the powers conferred upon it in relation to each Fund, subject to approval by the Manager.

The Trustee is also entitled to be reimbursed out of the property of the Fund in respect of remuneration charged by the Custodian for such services as the Manager, Trustee and the Custodian may from time to time agree, being services delegated to the Custodian by the Trustee in performing or arranging for the performance of the functions conferred on the Trustee by the Trust Deed or COLL. Remuneration charged under this paragraph shall accrue when the relevant transaction or other dealing is effected and shall be paid in arrears. Currently the Custodian does not receive any remuneration under this paragraph.

3.1.4. Custodian's Fees and Expenses

The Custodian is entitled to receive reimbursement of the Custodian's fees as an expense of each Fund. The Custodian's remuneration for acting as Custodian is calculated at an ad valorem rate determined by the territory or country in which the assets of the Fund are held. Currently, the lowest rate is 0.0005% and the highest rate is 0.4%. In addition, the Custodian makes a transaction charge determined by the territory or country in which the transaction is effected. Currently, these transaction charges range from £2 to £100 per transaction.

The Custodian is permitted to increase its remuneration subject to the agreement of the Trustee and Manager. If the change materially increases the payment out of the Fund, written notice will be given in the same manner as for an increase to the Annual Management Charge.

3.1.5. Other Expenses

The Auditors and Legal Advisers are paid fees at normal commercial rates. Such fees may be changed by mutual agreement from time to time.

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

No payments may be made out of the property of the Trust and/or a relevant Fund other than payments permitted by COLL and the following (to the extent of the actual amount incurred):

(A) broker's commission;

(B) fiscal charges;

(C) other disbursements which are:-

  (1) necessarily incurred in effecting transactions for the Fund;

  (2) normally shown in contract notes, confirmation notes and difference accounts as appropriate;

(D) interest on borrowings permitted under COLL and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;

(E) taxation and duties payable in respect of the property of the Fund, the Trust Deed or the issue of Units;

(F) any costs incurred in modifying the Trust Deed including costs incurred in respect of meetings of Unitholders convened for purposes which include the purpose of modifying the Trust Deed where the modification is:-

  (1) necessary to implement or necessary as a direct consequence of any change in the law (including changes to COLL); or

  (2) expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of Unitholders; or

  (3) to remove from the Trust Deed obsolete provisions;

(G) any costs incurred in respect of meetings of Unitholders convened by the Trustee or on a requisition by Unitholders not including the Manager or an associate of the Manager;

(H) the legal fees and any other proper expenses of the legal advisers ;

(I) any reasonable costs or expenses incurred by members of the Advisory Committee in carrying out its duties or members of the Advisory Committee in carrying out their duties;

(J) liabilities on unitisation, amalgamation or reconstruction arising in certain circumstances as set out in COLL;

(K) the year end audit fee properly payable to the auditor and any additional audit fees incurred where the Manager reasonably believes that an additional audit is in the best interests of the Fund, together with any proper expenses of the auditor;

(L) the periodic fees of the FCA under the Financial Services and Markets Act 2000 or the corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which Units in the Fund are or may be marketed;

(M) costs of establishing and maintaining the register and/or plan sub-register,

(N) All charges and expenses incurred in relation to stock lending. (The Funds do not currently undertake any stock lending activities. In the event that the Funds stock lend in the future, the payment paid to the stock lending agent will not exceed 17.5% of the gross income generated by the stock lending arrangements. The Manager may receive around 20% of the gross income generated from stock lending to cover administration services which are carried out and expenses properly incurred in supporting any stock lending activities. A minimum of 62.5% of the gross income generated from the stock lending activities will be applied to the scheme property for the benefit of the Funds and Unitholders.)

Subject to current HM Revenue & Customs (HMRC) regulations, Value Added Tax at the prevailing rate may be payable in connection with the Trustee’s remuneration, the Custodian’s remuneration and, where appropriate the expenses in a) to m) above.

3.1.6. Allocation of Charges and Expenses Between Funds

All charges and expenses will be charged to a Fund in respect of which they were incurred (and, within a Fund, charges and expenses will be allocated between Unit classes in accordance with the terms of issue of Units of those classes). Any charges and expenses not attributable to any one Fund will normally be allocated by the Manager to all Funds pro rata to the Net Asset Value of each Fund, although the Manager has discretion to allocate such charges and expenses in a different manner which it considers fair to Unitholders generally.

The net proceeds from subscriptions to a Fund will be invested in the specific pool of assets constituting that Fund. The Trust will maintain for each current Fund a separate pool of assets, each invested for the exclusive benefit of the relevant Fund. The Trust as a whole will be responsible for all obligations, whichever Fund such liabilities are attributable to, unless otherwise agreed with specific creditors.

To the extent that any scheme property, or any assets to be received as part of the scheme property, or any costs, charges or expenses to be paid out of the scheme property, are not attributable to one Fund only, the Manager will allocate such scheme property, assets, costs, charges or expenses between Funds in a manner which it considers to be fair to all Unitholders of the Trust.

Where a Fund has different classes, each class may attract different charges and so monies may be deducted from the scheme property attributable to such classes in unequal proportions. In these circumstances, the proportionate interests of the classes within a Fund will be adjusted accordingly.

3.1.7. Exemption from Liability to Account for Profits

The Manager, Trustee and Custodian are not liable to account to the Unitholders of any Fund for any profits or benefits that they make or receive that are derived from or in connection with:

(A) any transaction in Fund property; or

(B) the supply of services to the Fund.

3.2. Reporting, Distributions and Accounting Dates

3.2.1. Report and Accounts

The Manager will, within four months after the end of each annual accounting period and two months after the end of each half-yearly accounting period respectively, make available full report and accounts, free of charge, on request or online at www.schroders.co.uk.

3.2.2. Periodic and Regular Disclosure

The following information will be disclosed to Unitholders on an annual basis by way of the annual report:

(A) the percentage of any of the Funds' assets that are subject to special arrangements arising from their illiquid nature (including, but not limited to, suspension of the issue, cancellation, sale and redemption of Units and deferrals on redemptions,);

(B) any new arrangements for managing the liquidity of the Fund including, but not limited to, any material changes to the liquidity management systems and procedures employed by the Manager; provided that Unitholders will be notified immediately where the issue, cancellation, sale and redemption of Units is suspended, when redemptions are suspended or where other similar special arrangements are activated;

(C) the current risk profile of the Funds and the risk management systems employed by the Manager to manage those risks; and

(D) the total amount of leverage employed by each of the Funds.

The most recent annual report can be found at www.schroders.com.

Any changes to following information will be provided by the Manager to Unitholders in the Fund Change Corner section of the Schroders' website (www.schroders.co.uk) without undue delay and in accordance with the rules in FUND:

(A) any changes to the maximum level of leverage which the Manager may employ on behalf of any of the Funds; and

(B) any changes to the right of re-use of collateral or any changes to any guarantee granted under any leveraging arrangement.

3.2.3. Accounting and Income Allocation Dates

The Funds' annual accounting dates, half-yearly accounting dates and income allocation dates are listed in Appendix III.

Each holder of Distribution Units is entitled, on the relevant income allocation date, to the gross income attributable to his or her holding. Gross income on Accumulation Units is not distributed but is automatically accumulated into the value of each Unit.

Distributions will be paid by crediting a Unitholder's bank or building society account.

Any distribution that remains unclaimed for a period of 6 years after the distribution became due for payment will revert to the Fund.

The Manager reserves the right to change or create additional accounting and distribution dates, usually as a result of accounting or taxation changes or when deemed to be in the interests of the Fund.

The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the Fund in respect of that period (including any income held in accordance with the section entitled "Income Reserve Account" below, and deducting (if applicable) the aggregate of the Manager's and Trustee's remuneration and other payments properly paid or payable out of the income account in respect of that accounting period.

The Manager then makes such other adjustments as it considers appropriate (and after consulting the auditors as appropriate), the proportion of the prices received or paid for Units that is related to income (taking into account any provisions in the Trust Deed) relating to income equalisation, potential income which is unlikely to be reduced until 12 months after the income allocation date, income which should not be accounted for on an accrual basis because of law of information as to how it accrues, transfers between the income and capital account and other matters.

3.2.4. Income Reserve Account

For the sole purpose of avoiding fluctuations in the income available for distribution or allocation, the Manager may determine to carry income earned by a Fund forward to a future period or distribute income received from a previous period. In this respect the Manager and the Trustee may establish an Income Reserve Account in respect of each Fund. Up to 15% of the income available for distribution or allocation from one accounting period for allocation or distribution in a future accounting period may be transferred to the Income Reserve Account. The 15% will be calculated by reference to the current income available for allocation/ distribution in respect of an annual accounting period. Income held in the Income Reserve Account from previous years is irrelevant for the purpose of the 15% calculation.

Any interest earned by placing on deposit or otherwise investing money standing to the credit of the Income Reserve Account shall be treated as income of the relevant Fund and dealt with accordingly at the end of the accounting period during which it was received.

The Manager may instruct the Trustee at any time to transfer income standing to the credit of the Income Reserve Account into the income account in which case any amount so transferred shall be treated as income available for allocation or distribution at the next income allocation date.

3.2.5. Total Return Approach

The Manager and Trustee may operate a Fund on the basis of a total return approach to the distribution of income, solely for the purpose of meeting the target distribution amount for the relevant distribution class that Fund. Distributions made under the total return approach may consist of capital growth as well as dividend and interest income. The target distribution amount for each Fund operated under this approach is set out in Appendix III.

In operating the total return approach the Manager may, from time to time, instruct the Trustee to make transfers between the capital account and the income account of a Fund.

3.3. Taxation

The taxation of income and capital gains of the Trust, its Funds and Unitholders is subject to the fiscal law and practice of the UK and of the jurisdictions in which Unitholders are resident or otherwise subject to tax.

The following summary of the anticipated tax treatment of Charity Authorised Investment Funds and holders of units in these funds in the UK and does not constitute legal or tax advice and applies only to persons holding Units as an investment.

Prospective Unitholders should consult their own professional advisers on the tax implications of making an investment in, holding or disposing of Units and the receipt of distributions and deemed distributions with respect to such Units under the laws of the countries in which they may be liable to taxation.

This summary is based on the taxation law and practice in force at the date of this document, but prospective Unitholders should be aware that the relevant fiscal rules and practice or their interpretation might change. The following tax summary is not a guarantee to any investor of the tax results of investing in the Funds.

3.3.1. The Trust

The Trust is exempt from payment of stamp duty on the purchase of UK securities and on capital gains realised on the disposal of investments held by them (including interest-paying securities and derivatives contracts). Certain Funds may invest in offshore funds which, in certain circumstances, may give rise to gains which are categorised as income rather than capital gains for UK tax purposes and so are chargeable to corporation tax.

Dividends from UK and from overseas companies (and any part of dividend distributions from authorised unit trusts and open-ended investment companies which represent those dividends) are generally not subject to corporation tax.

The Funds will each be subject to corporation tax at 20% on other types of income but after deducting allowable management expenses and the gross amount of interest distributions, where relevant. Where a Fund suffers foreign tax on income received, this may in some circumstances be deducted from the UK tax due on that income.

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

3.3.2. Unitholders

Each Fund will be treated for tax purposes as distributing to its Unitholders for each distribution period the whole of the income shown in its accounts (subject to amounts posted to the Income Reserve Account) (as being income available for payment to Unitholders or for reinvestment, regardless of the amount actually distributed. Accordingly, any excess of the amount so shown over the income actually distributed will be deemed to be distributed to Unitholders in proportion to their respective interests in the Fund. The date of any such deemed distribution will be determined by the Fund's relevant interim or annual income allocation date (details of which are given above).

Distributions

Distributions are paid without any deduction of tax. The Manager will, where possible, arrange for the reclaim of tax withheld on overseas income received by each Fund and no further tax will be payable on income received by each Fund from abroad. It may not always be possible for tax on foreign securities to be reclaimed but such amounts are not likely to be material.

Income equalisation

The first income allocation received by a Unitholder after buying the Units may include an amount of income equalisation. This is effectively a repayment of the income equalisation paid by the Unitholder as part of the purchase price. It is a return of capital, and it is not taxable. Rather it should be deducted from the acquisition cost of the Units for capital gains tax purposes. There is an exception to this rule when the equalisation forms part of the first income distribution following a switch or share class conversion, in which case the entire distribution should be treated as income and no part of it will represent a return of capital.

This summary on tax issues relating to Funds is an overview only and investors should consult their own tax adviser for a more detailed analysis of tax issues arising for them from investing in a Fund.

Automatic Exchange of Information: US Foreign Account Tax Compliance Act 2010 (FATCA) and OECD Common Reporting Standard 2016 (CRS)

FATCA was enacted in the United States of America on 18 March 2010 as part of the Hiring Incentives to Restore Employment Act. It includes provisions under which the Manager as a Foreign Financial institution (FFI) may be required to report directly to the Internal Revenue Service (IRS) certain information about Units in a Fund held by US tax payers or other foreign entities subject to FATCA and to collect additional identification information for this purpose. Financial institutions that do not enter into an agreement with the IRS and comply with FATCA regime could be subject to 30% withholding tax on any payment of US source income as well as on the gross proceeds deriving from the sale of securities generating US income made to the Manager. On 30 June 2014 the United Kingdom entered into a Model 1 Intergovernmental agreement (IGA) with the United States of America.

CRS has been implemented by Council Directive 2014/107/EU on the mandatory automatic exchange of tax information which was adopted on 9 December 2014. CRS was implemented among most member states of the European Union on 1 January 2016. Under CRS, the Manager may be required to report to HMRC certain information about Units held in a Fund or Funds by Unitholders who are tax resident in a CRS participating country and to collect additional identification information for this purpose.

In order to comply with its FATCA and CRS obligations, the Manager may be required to obtain certain information from Unitholders so as to ascertain their tax status. Under the FATCA IGA referred to above, if the Unitholders is a specified US person, a US owned non-US entity, non- participating FFI or does not provide the requisite documentation, the Manager will need to report information on these Unitholders to HMRC, in accordance with applicable laws and regulations, which will in turn report this to the IRS. Under CRS, if the Unitholders is tax resident in a CRS participating country and does not provide the requisite documentation, the Manager will need to report information on these Unitholders to HMRC, in accordance with applicable laws and regulations. Provided that the Manager acts in accordance with these provisions it will not be subject to withholding tax under FATCA.

Unitholders and intermediaries should note that it is the existing policy of the Manager that Units are not being offered or sold for the account of US Persons or Unitholders who do not provide the appropriate CRS information. Subsequent transfers of Units to US Persons are prohibited. If Units are beneficially owned by any US Person or a person who has not provided the appropriate CRS information, the Manager may in its discretion compulsorily redeem such Units. Unitholders should moreover note that under the FATCA legislation, the definition of specified US persons will include a wider range of Unitholders than the current US Person definition.

3.4. Unitholder Rights

3.4.1. Legal Implications of Investment in the Fund

The main legal implications of the relationship entered into for the purpose of investment in the Funds are as follows:

(A) By submitting an application form to the Manager, the investor makes an offer for Units which, once it is accepted has the effect of a binding contract to subscribe for Units.

(B) Upon the issue of Units, a Unitholder becomes a deemed party to the Trust Deed. The Trust Deed is binding upon each Unitholder as if he had been a party to it and Unitholders are bound by its provisions. The Trust Deed authorises and requires the Trustee and the Manager to do the things required of them or permitted by its terms.

(C) As a matter of contract law, the Trust Deed represents a binding contract between the Manager, the Trustee and the Unitholders.

(D) As a matter of trust law, the Trust Deed constitutes a trust arrangement between the Unitholders, the Manager and the Trustee, pursuant to which the scheme property of a Fund is held on trust by the Trustee for the benefit of Unitholders and managed by the Manager.

(E) The rights of Unitholders against the Manager and the Trustee under the Trust Deed are in addition to their rights under the rules in COLL and the general law.

(F) The Trust Deed can be amended by agreement between the Manager and the Trustee.

(G) An investor's liability to a Fund in relation to its investment will, subject to the terms of the application form and any other terms agreed separately, generally be limited to the value of that investment.

(H) The investment contract will be governed by and construed in accordance with English law. Any legal action or proceedings arising out of or in connection with the investment contract must be brought exclusively in the English courts.

(I) Judgments from overseas courts may be recognised and enforced by the Courts of England and Wales without re-examination of the merits where some form of reciprocal enforcement arrangement is in place. Instruments governing such reciprocal enforcement arrangements include the Brussels Regulation and the Brussels and Lugano Conventions in respect of judgments from the courts of EU member states, Iceland, Switzerland and Norway (the Brussels regime) and by the Administration of Justice Act 1920 and the Foreign Judgments (Reciprocal Enforcement) Act 1933 (covering most Commonwealth and some other countries – the "Statutory regime"). In other cases, under the English common law a final and conclusive foreign judgment given by a competent court potentially creates an obligation that is actionable in England and Wales through the institution of fresh legal proceedings, to which various defences are available to a defendant. There is also provision in England and Wales for the enforcement of European Enforcement Orders obtained under the European Enforcement Orders Regulation, European Orders for Payment, judgments obtained under the European Small Claims Procedure, Community judgments and judgments from other parts of the UK. Where a judgment falls within the scope of the Brussels regime, an application can be made to register it. A registration order must be made if the required formalities have been complied with. There are limited grounds of appeal against the making of the order. Where a judgment falls under the Statutory regime an application can be made to register it. There are various grounds for non-registration and on which registration will be set aside. Once registered under either regime, a judgment will be treated as if it was a judgment of the English court for enforcement purposes.

Absent a direct contractual relationship between the Unitholder and the relevant service provider, Unitholders generally have no direct rights against the relevant service provider and there are only limited circumstances in which a Unitholder may potentially bring a claim against the relevant service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against any of the Funds, by the relevant service provider is, prima facie, the Fund itself, or the Manager on behalf of the Fund, as the case may be.

3.4.2. Meetings of Unitholders and Voting rights

A meeting of Unitholders duly convened and held may, by extraordinary resolution, require, authorise or approve any act, matter or document in respect of which any such resolution is required or expressly contemplated by the Regulations, but shall not have any other powers.

Unitholders will receive at least 14 days' notice of any meeting of Unitholders and are entitled to be counted in the quorum and vote at any such meeting either in person or by proxy.

A quorum at a meeting of Unitholders is two Unitholders present in person or by proxy, or in the case of a body corporate by a duly authorised representative of all the Units in issue. If a quorum is not present within a reasonable time from the start of the meeting, the meeting will be adjourned to a day and time which is at least seven days after the day and time of the meeting at a place to be appointed by the chairman. If at such adjourned meeting a quorum is not present after a reasonable time from the time of the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum. At any meeting of Unitholders, on a show of hands every Unitholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, shall have one vote 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. On a poll the voting rights for each Unit in issue are the proportion of the voting rights attached to all the Units in issue that the price of the Unit bears to the aggregate price or prices of all the Units in issue seven days before the notice of meeting was sent out. On a poll, votes may be given either personally or by proxy. A Unitholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

For joint Unitholders, only the vote of the first named in the register of Unitholders can be taken. Except where an extraordinary resolution (requiring a majority of 75% of the total number of votes cast to be passed) is specifically required or permitted, any resolution of Unitholders is passed by a simple majority. In the case of an equality of, or an absence of, votes cast, the chairman is entitled to the casting vote.

In the context of despatch of notice, "Unitholders" mean the persons who were entered in the register of Unitholders as at a certain day chosen by the Manager before the notice of meeting was sent out but excluding persons who are known not to be entered on the register at the date of despatch of the notice.

In the context of voting, "Unitholders" mean the persons who were entered on the register of Unitholders at a time chosen by the Manager and stated in the relevant notice of the meeting.

The Manager is not entitled to vote at or be counted in a quorum at a meeting of Unitholders in respect of Units held or deemed to be held by the Manager, except where the Manager holds Units on behalf of, or jointly with, a person who, if himself the sole registered Unitholder would be entitled to vote, and from whom the Manager has received voting instructions. Associates of the Manager are entitled to be counted in a quorum and, if they hold Units on behalf of a person who would have been entitled to vote if he had been a registered Unitholder and they have received voting instructions from that person, may vote in respect of such Units pursuant to such instructions.

3.4.3. Notices to Unitholders

All notices or documents about the Funds will be sent to the address of the first named Unitholder only as appearing on the register or by electronic means. A notice is duly served if it is delivered to the address of the first named Unitholder as appearing in the register or is delivered by electronic means in accordance with COLL.

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 document left at a registered address or delivered other than by post is deemed to have been served on that day. All documents and remittances are sent at the risk of the Unitholder.

3.4.4. Fair Treatment of Unitholders

Under the Trust Deed the Trustee and the Manager owe certain duties to Unitholders, which require them to, among other things, act in good faith, in what they consider to be in the best interests of the Funds. Both the Trustee and the Manager, in exercising their discretion under the Trust Deed, will act in accordance with such duties and shall ensure that they at all times act fairly between investors.

Under the AIFM Directive the Manager must treat all Unitholders fairly. The Manager maintains a Conflicts of Interest Policy which requires it to treat its clients fairly. The Manager's Conflicts of Interest Policy establishes requirements for the Manager to have effective systems, controls and procedures to identify, prevent, manage, monitor and review conflicts of interest, including potential conflicts of interest that could arise between investors, in line with regulatory requirements.

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

3.5. Winding Up of the Trust

Where the Trust is to be wound up or a Fund is to be terminated under the Regulation, such winding up or termination may only be commenced following approval by the FCA. The Trust may be wound up or a Fund terminated under the Regulations if:-

(A) an extraordinary resolution to that effect is passed by the Unitholders; or

(B) the period (if any) fixed for the duration of the Trust or the Fund by the Trust Deed expires, or an event (if any) occurs on the occurrence of which the Trust Deed provides that the Trust or Fund is to be wound up or terminated. If the Net Asset Value of the Fund is less than £20 million or the equivalent in the currency of denomination, or if a change in the laws or regulations of any country means that, in the Manager's opinion, it is desirable to terminate the Fund); or

(C) on the effective date of an agreement by the FCA in response to a request by the Manager for the winding up of the Trust or the termination of a Fund.

A Fund may also be terminated in accordance with the terms of a scheme of arrangement or reconstruction, in which case Unitholders in the Fund will become entitled to receive shares or units in another regulated collective investment scheme in exchange for their Units in the Fund.

On the occurrence of any of the events in paragraphs above and provided the FCA has given its approval:-

– Relevant Sections in this Prospectus concerning Dealing, Valuation and Pricing and the Investment and Borrowing Powers of the FCA Rules will cease to apply to the Trust or the Fund;

– the Trust will cease to issue and cancel Units in the Trust or the relevant Fund, and the Manager shall cease to sell or redeem Units or arrange for the Trust to issue or cancel them (except in respect of a final cancellation);

– no transfer of a Units shall be registered and no other change to the Register shall be made without the sanction of the Manager;

– where the Trust is being wound up, it shall cease to carry on its business except for its beneficial winding up; and

The Manager shall, as soon as practicable after the winding up or termination has commenced causes the Scheme Property to be realised and the liabilities of the Trust or relevant Fund to be met out of the proceeds. Where sufficient liquid funds are available after making provision for the expenses of the winding up or termination and the discharge of the Trust's or the relevant Fund's remaining liabilities, the Manager may arrange for the Trustee to make one or more interim distributions out of the proceeds to Unitholders proportionately to the rights of their Units to participate in the Scheme Property at the commencement of the winding up or termination. The Manager shall arrange for the Trustee to make a final distribution to Unitholders, on or prior to the date on which the final account or termination account is sent to Unitholders, of any balance remaining in proportion to their holdings in the Trust or the relevant Fund.

On completion of a winding up of the Trust or the termination of a Fund, the Trust or the relevant Fund will be dissolved and the Manager will arrange for the Trustee to pay or lodge any money standing to the account of the Trust or the Fund in accordance with the Regulations and within one month of dissolution.

The Manager shall notify the FCA that it has completed a winding up of the Trust or a termination of the relevant Fund.

Following the completion of a winding up of the Trust or of a Fund, the Manager must prepare a final account showing the date on which the Trust's affairs were fully wound up, how the winding up took place and how the Scheme Property was distributed. The auditors of the Trust shall make a report in respect of the final account, stating their opinion as to whether the final account has been properly prepared.

Following the completion of a the termination of a Fund, the Manager must prepare a termination account showing the date on which the Fund's affairs were fully terminated, how the winding up took place and how the Scheme Property was distributed. The auditors of the Trust shall make a report in respect of the final account or termination account, stating their opinion as to whether the final account or termination account has been properly prepared.

This final account or termination account and the auditors' report must be sent to the FCA, to each relevant Shareholder within four months of the date of the completion of the winding up of the Trust or the termination of the relevant Fund.

If at any time there are no Unitholders of Units in a Fund, the Fund shall have such charitable purposes as the Manager and Trustee shall determine from time to time.

The Trust is an umbrella unit trust, and its Funds are segregated portfolios of assets. Accordingly, the assets of a Fund belong exclusively to that Fund and shall be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the umbrella unit trust, or any other Fund, and shall not be available for any such purpose.

While the provisions of the Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to these Regulations.

3.6. Additional Information

3.6.1. Exercise of voting rights

The Investment Adviser and the Manager have a strategy for determining how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of each Fund. A summary of this strategy is available from the Manager on request. Details of action taken in respect of the exercise of voting rights are available from the Manager upon request.

3.6.2. Best Execution

The Manager's order execution policy sets out the basis upon which the Manager will effect transactions and place orders in relation to the Funds whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the Manager on behalf of each Fund. Details of the order execution policy are available from the Manager on request.

3.6.3. Complaints

Complaints should be addressed to Head of Investor Services, Schroders, P O Box 1102, Chelmsford CM99 2XX. You can request a copy of the Manager's written internal complaints procedures by writing to the above address or contact Schroders Investor Services on 0800 718 777. You may also have the right to refer the complaint directly to the Financial Ombudsman Services, Exchange Tower, London, E14 9SR. Information about the Financial Ombudsman Service can be found at www.financial-ombudsman.org.uk. A statement of your rights to compensation in the event of Schroders being unable to meet its liabilities to you is available from the FCA and the Financial Services Compensation Scheme. Further details can be found at www.fscs.org.uk/

3.6.4. Money Laundering

The Manager is responsible for complying with UK anti-money laundering regulations. In order to implement the procedures that the Manager has in place to facilitate its compliance, in certain circumstances, Unitholders may be asked to provide some proof of identity when buying or selling Units. Until satisfactory evidence has been received the Manager reserves the right to refuse to pay the proceeds of a redemption of Units or to pay income on Units to a Unitholder.

3.6.5. Non-UK Unitholders

The distribution of this Prospectus and the offering or purchase of Units in any of the Funds is restricted to Eligible Investors. Investment in the Funds may not, however, be suitable for all Eligible Investors. Your investment should be considered in light of your organisation's circumstances, including your specific investment needs and risk appetite. If you are in any doubt about any of the Funds' suitability to your investment needs, you should seek appropriate professional advice.

3.6.6. Genuine Diversity of Ownership Condition

Interests in the Funds are widely available, and the Manager undertakes that they will be marketed and made available sufficiently widely and in a manner appropriate to reach the intended categories of Investor who meet the broad requirements for investment in any given unit class, and are not intended to be limited to particular investors or narrowly-defined groups of investor. Please refer to Appendix III for the details of the minimum levels of investment and/or investor categories that are specified as eligible to acquire particular unit classes.

Provided that a person meets the broad requirements for investment in any given unit class, he/she may obtain information on and acquire the relevant units in the Fund, subject to the paragraphs immediately following

3.6.7. Compulsory Redemption and Conversion

The Manager may, if necessary, redeem Units to ensure that Units are neither acquired nor held by, or on behalf of, any person in breach of the law or requirements of any country or government or regulatory authority or which might have adverse taxation or other pecuniary consequences for the Manager including a requirement to register under the laws and regulations of any country or authority. The Manager may in this connection require a Unitholder to provide such information as they may consider necessary to establish whether the Unitholder is the beneficial owner of the Units which they hold.

If it shall come to the attention of the Manager at any time that Units are beneficially owned by a US Person, the Manager will have the right to redeem compulsorily such Units.

The Manager may also, at its discretion, convert holdings of one class of Units to another where it believes this to be in the best interests of investors. Such circumstances may include where the conversion will offer investors the benefits of economies of scale, or will otherwise result in lower fees. A mandatory conversion of Units shall only take place where the Manager has given appropriate prior notice to affected investors in accordance with COLL.

Unitholders subject to UK tax should note that conversions are should not generally be treated as a disposal for the purposes of capital gains tax, other than for conversions between hedged and unhedged Unit Classes, or vice versa.

The Manager will not apply any fees where it carries out a compulsory conversion of Units.

3.6.8. Literature request

Investors can obtain free of charge on request, copies of:

(A) this Prospectus;

(B) the Key Investor Information Document for each Fund;

(C) the Trust Deed constituting and governing the Trust, as amended or supplemented; and

(D) the latest report and accounts of the Trust and the latest half yearly report.

These documents are available on request from the Manager at the address listed in the section entitled "Administration".

3.6.9. Data Protection Act

For the purposes of the General Data Protection Regulation 2016/679 (GDPR), or the statutory equivalent thereof which forms part of English law by virtue of the EUWA, (as applicable) the data controllers in relation to any personal data you supply are the Funds and the Manager.

3.6.10. In order to comply with our obligations and responsibilities under applicable data protection law, we are required by law to make available to you a privacy policy which details how we collect, use, disclose, transfer, and store your information. Please find a copy of our privacy policy at www.schroders.com/en/privacy-policy. By signing the application form, you acknowledge that you have read and understood the contents of our privacy policy.

3.6.11. Acceptable Minor Non-Monetary Benefits

Schroders may pay to or accept from third parties minor non-monetary benefits as permitted by the FCA Conduct of Business Sourcebook provided they are capable of enhancing services provided to clients; and do not impair Schroders' duty to act honestly, fairly and in the best interests of clients. Such minor non-monetary benefits will include:

- information or documentation relating to financial instruments or investment services;
- written material from third parties;
- participation in conferences, seminars and other training events;
- reasonable de minimis hospitality; and
- research.

3.6.12. Benchmark Regulation

Unless otherwise disclosed in this Prospectus, the indices or benchmarks used within the meaning of the Regulation (EU) 2016/1011, or the statutory equivalent thereof which forms part of English law by virtue of the EUWA, (as applicable) (the "Benchmark Regulations") by the Funds are, as at the date of this Prospectus, provided by benchmark administrators who benefit from the transitional arrangements afforded under the applicable Benchmark Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by the relevant supervisory authority. These benchmark administrators should apply for authorisation or registration as an administrator under the applicable Benchmark Regulation before 1 January 2020. Updated information on this register should be available no later than 1 January 2020. The Manager maintains written plans setting out the actions that will be taken in the event of the benchmark materially changing or ceasing to be provided. Copies of a description of these plans are available upon request and free of charge from the registered office of the Manager.

Appendix I

Investment Restrictions

The investment objective and policy of each of the Funds, set out in Appendix III, are subject to the limits on investment under Chapter 5 of COLL applicable to non-UCITS retail schemes, which are summarised below.

1. Transferable Securities/ Money Market Instruments

The Funds may invest without limitation, except where otherwise specifically stated in transferable securities and money market instruments (as defined for the purposes of COLL) admitted to or dealt in on an eligible market (approved securities).

Each Fund may invest up to 20% of its net asset value in aggregate in transferable securities that are not admitted to or dealt in on the rules of an eligible market. Each Fund may invest up to 20% of its net asset value in aggregate in money market instruments which are liquid and have a value which can be accurately determined at any time.

Eligible markets for the Funds are explained and set out in Appendix IV.

2. Collective Investment Schemes

The SUTL Cazenove Charity Multi-Asset Fund and SUTL Cazenove Charity Responsible Multi-Asset Fund may invest up to 100% of net asset value in collective investment schemes provided the second scheme meets each of the requirements listed in A) to E) below.

(A) The second scheme:

(1) satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or

(2) is a non-UCITS retail scheme; or

(3) is a scheme recognised under section 264 or 272 of the Financial Services and Markets Act 2000; or

(4) is constituted outside the UK and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or

(5) is a scheme not falling within (1) to (5) and in respect of which no more than 20% in value of the scheme property (including any transferable securities which are not approved securities) is invested;

(B) The second scheme operates on the principle of the prudent spread of risk;

(C) The second scheme is prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes.

(D) The participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price:

(1) related to the net value of the property to which the units relate; and

(2) determined in accordance with the scheme;

(E) Where the second scheme is an umbrella, the provisions in B) to D) and COLL 5.6.7 R apply to each sub-fund as if it were a separate scheme.

The Fund may invest in Units of a fund managed by or operated by the Manager or an associate of the Manager. No charge will be made for the issue or redemption of those Units.

3. Warrants

The Funds are permitted to invest in warrants. As with derivative use, the outcome of the use of warrants, in terms of the risk profile of the Funds, depends on our underlying investment rationale for the Fund in question. While we do not expect to invest high percentages of scheme property in warrants, if we do use them in such a way, this may lead to a higher volatility in the unit price of that Fund.

On investment, the exposure created by the exercise of the warrant must not exceed the spread limits as disclosed in the section entitled "Spread limits" below.

4. Deposits

Each Fund may invest in deposits without limitation, only with an approved bank and which are repayable on demand or has the right to withdraw and maturing in no more than 12 months. Cash and near cash may be held in order to enable the pursuit of a Fund's investment objectives or to assist in the redemption of Units, the efficient management of the Fund or purposes regarded as ancillary to the Fund.

5. Derivatives and Forwards

The Manager has the power to buy and sell derivatives (including, but not limited to, futures, swaps, options and contracts for difference) and forwards both on exchange and off exchange, in all Funds as set out in this section provided they are permitted. A derivative is permitted where the underlying transaction in the derivative is permitted under COLL. Any transaction entered into on-exchange must be effected on or under the rules of an eligible derivatives market. Off-exchange derivatives and forwards must only be entered into with approved counterparties, must be approved by the Trustee and must be capable of valuation (all as defined in and on the terms detailed in COLL).

The Manager will ensure that any transaction in derivatives and forwards is covered in accordance with COLL. This includes ensuring at all times that each Fund has enough assets to adequately cover the derivative positions. In assessing the adequacy of the cover for derivative positions the Manager will take into account the value of the underlying assets, counterparty risk, the time taken to liquidate any derivative position and reasonably foreseeable market movement.

When using derivatives, the Manager uses a risk management process that enables it to monitor the risk of a Fund's derivative positions. The global risk exposure of a Fund is calculated daily by means of the commitment approach and the gross approach. For some Funds the global risk exposure, known as leverage, is also calculated in accordance with the Value-at-Risk (VaR) approach and a statement will be made in Appendix III to indicate which Funds follow this approach. The maximum permitted leverage calculated in accordance with both the gross and commitment approaches, in respect of each Fund is set out in Appendix III. Leverage is expressed as a ratio (leverage ratio) between the exposure of the Fund and its Net Asset Value.

Commitment leverage ratio

The exposure calculated with the commitment methodology consists of: (i) the sum of the absolute values of all positions; (ii) the sum of the equivalent positions in the underlying assets of all derivatives entered into by the Fund in accordance with the conversion methodologies for commitment exposure calculation; (iii) the exposure resulting from the reinvestment of cash borrowings where applicable; and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Under this method, netting and hedging arrangements can be taken into consideration under certain conditions.

Gross leverage ratio

The exposure calculated under the gross methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all derivatives entered into by the Fund in accordance with the conversion methodologies for gross exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable; and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable.

The two ratios resulting from applying the gross or commitment methodology for calculating the exposure of the Funds supplement each other and provide a distinct representation of leverage.

Gross leverage is a conservative way of representing leverage as it does not:

- make a distinction between derivatives that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.
- allow the netting of derivative positions. As a result, derivatives roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk.

As a result, a Fund that exhibits a high level of gross leverage is not necessarily riskier than a Fund that exhibits a low level of gross leverage.

Commitment leverage is a more accurate representation of the true leverage of the Fund as it allows for hedging and netting arrangements under certain conditions.

By convention, the leverage ratio is expressed as a fraction. A leverage ratio of 1 or below means the Fund is unleveraged whereas a leverage ratio above 1 indicates the Fund is leveraged.

VaR approach

For some Funds the global risk exposure is also calculated in accordance with the VaR) approach.

VaR is a means of measuring the potential loss to a Fund due to market risk. Historical data is used in the calculation of VaR. The period used for this purpose is the observation period.

VaR reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period;
- 99% unilateral confidence interval;
- at least a one year effective historical observation period (250 days) unless market conditions require a shorter observation period; and
- parameters used in the model are updated at least quarterly.

Stress testing will also be applied at a minimum of once per month.

VaR limits are set using an absolute or relative approach.

- **Absolute VaR approach**

  The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark, for example with absolute return funds. Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Fund. The absolute VaR limit of a Fund has to be set at or below 20% of its Net Asset Value. This limit is based upon a 1 month holding period and a 99% unilateral confidence interval.

- **Relative VaR approach**

  The relative VaR approach is used for Funds where a VaR benchmark reflecting the investment strategy which the Fund is pursuing is defined. Under the relative VaR approach a limit is set as a multiple of the VaR of a benchmark or reference portfolio. The relative VaR limit of a fund has to be set at or below twice the VaR of the Fund's VaR benchmark. Information on the specific VaR benchmark used is disclosed in Appendix III.

Upon request, the Manager will provide further details of the quantitative limits and methods used in applying the risk management of each Fund as well as any recent developments in the risk and yields of the main categories of investment of each Fund.

Derivatives and Forward Use

Efficient Management

Derivatives and forwards may be used for the efficient management of all Funds. The aim of any derivative or forward used for such reasons is not to materially alter the risk profile of the Fund, but rather to assist the Manager in meeting the investment objectives of each Fund as set out in Appendix III by:

- reducing risk; and/or
- reducing cost; and/or
- generating additional income or capital for each Fund.

Where transactions in derivatives or forward transactions are used for the account of the authorised fund in accordance with any of the provisions of this section, nothing in this section prevents the Trustee at the request of the Manager, from:

- lending, depositing, pledging or charging scheme property for margin requirements: or

- transferring scheme property under the terms of an agreement in relation to margin requirements, provided that the authorised fund manager reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Unitholders.

The aim of reducing risks or costs will allow the Manager to enter into exposures on permissible assets or currencies using derivatives or forwards as an alternative to selling or purchasing underlying assets or currencies. These exposures may continue for as long as the Manager considers that the use of derivatives continues to meet the original aim.

The aim of generating additional income allows the Manager to write options on existing assets where it considers the transaction will result in the Fund deriving a benefit, even if the benefit obtained results in the surrendering the chance of greater benefit in the future.

The aim of generating additional capital allows the Manager to take advantage of any pricing imperfections in relation to the acquisition and disposal (or disposal and acquisition) of rights relating to assets the same as, or equivalent to which the Fund holds or may hold.

The following types of risks are relevant in relation to the efficient management of the Funds:

- Market risk – which is the risk of losses due to adverse market movements in the price of the assets held by the Fund or rates or changes in the anticipated or calculated volatility of these movements (volatility risk).

- Interest rate risk – which is the risk that changes to an interest rate will have an adverse impact on the market value of a portfolio, and is the main risk impacting the price of investment grade bonds.

- Credit risk – is the risk that an issuer will default. on the payment of coupons and/or redemptions.

- Foreign exchange (FX) risk – which is the risk that an asset held in the Fund in a currency other than the Base Currency of the Fund may be affected by changes in the exchange rate between the two currencies.

The following techniques are included in the efficient management of the Funds:

- Hedging – where the Manager may manage market and FX risk related to assets held in a Fund by using derivatives to reduce any perceived loss. In relation to FX hedging this includes the use of cross currency hedging techniques.

- Cash flow management – where the Manager may manage market risk following cash flows into the Fund by using derivatives to gain an exposure to an individual asset or obtain the desired exposure to an index. Thereafter the Manager may retain the position whilst it remains appropriate to manage subsequent inflows and outflows of cash efficiently.

- Asset allocation – where the Manager may manage market risk by using derivatives to achieve a desired exposure to an index, basket of shares or bonds, or between different markets. The derivatives positions will be closed out where the Manager has achieved the desired exposure by the buying or selling of the underlying stock, but there is no fixed time limit within which this closing out will take place.

- Fixed income management – where the Manager will use derivatives to manage credit risk and interest rate risk in relation to bond Funds. This technique includes the management of a Fund's duration (duration being the term used to measure the sensitivity of a bond's price to interest rate changes which is dependent on the bond's maturity profile and coupon pay-out schedule).

- Credit Default Swaps can be used for efficient management as follows-

  - Selling protection (i.e. gaining long credit exposure) in Credit Default Swaps where the objectives of the Fund can be achieved at lower risk and/or cost than transacting the underlying;

  - Buying protection (i.e. gaining short credit exposure) in index Credit Default Swaps for hedging purposes;

  - Buying protection (i.e. gaining short credit exposure) in single name Credit Default Swaps to hedge an existing long credit position; or

  - Buying protection (i.e. gaining short credit exposure) in single name Credit Default Swaps to create an outright short credit position that is covered by liquid assets within the Fund.

  - Overwriting/Yield enhancement - where the Manager will look to generate additional income in a Fund by writing options on assets held, provided this is consistent with a Fund's investment objective. Such techniques are in addition to, and separate from any income derived from stock lending activities.

Using Derivatives for specific investment purposes

In the case of:

- SUTL Cazenove Charity Multi-Asset Fund

- SUTL Cazenove Charity Responsible Multi-Asset Fund

derivatives may be used for specific investment purposes in accordance with the rules summarised in this section in addition to being used for efficient management.

The aim of any derivative or forward used for specific investment purposes is not to materially alter the risk profile of the Fund, but rather to assist the Manager in meeting the investment objectives of each Fund as set out in Appendix III.

Total Return Swaps

Where specified in the investment policy, a Fund may enter into Total Return Swaps (TRS) with an approved bank (as defined in COLL). The investment policy of the Fund will specify the underlying strategy and the composition of the investment portfolio or index. Where the Fund uses TRS, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Policy.

A TRS is a type of derivatives between two parties in which each party agrees to make a series of payments to the other at regular scheduled dates, with at least one set of payments determined by the return on an agreed underlying reference asset and which include, in addition, any income generated on the reference asset (such as dividends and/or bonus shares). Long and short positions gained through index, commodity, bond and equity TRS may increase exposure to credit-related risks. There are certain risks involved in using

TRS. Please see in particular the following risk factors in Appendix II: 'Counterparty Risk' and 'Particular Risks of over-the-counter "OTC" Derivative Transactions'.

Valuation of OTC derivatives

For the purposes of this section the Manager must: establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Fund to OTC derivatives; and ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment. Where the arrangements and procedures referred to in this section involve the performance of certain activities by third parties, the Manager must comply with the requirements in the FCA Handbook SYSC 8.1.13 R (Additional requirements for a management company). The arrangements and procedures referred to this section 5 must be: adequate and proportionate to the nature and complexity of the OTC derivative concerned and adequately documented.

6. Spread limits

(A) Not more than 20% in value of the property of each Fund is to consist of deposits with a single body.

(B) Not more than 10% in value of the scheme property is to consist of transferable securities or money-market instruments issued by any single body subject to COLL 5.6.23 R (Schemes replicating an index). The limit of 10% is raised to 25% in value of the scheme property in respect of covered bonds.

(C) In applying (B) above certificates representing certain securities are to be treated as equivalent to the underlying security.

(D) The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the property of each Fund.

(E) Not more than 35% in the value of the scheme property of a Fund may consist of the units of any one collective investment scheme.

(F) In applying the limit in (D) above, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets the relevant conditions set out in COLL

(G) Not more than 10% in value of the scheme property is to consist of derivatives where the underlying transaction is gold.

7. Borrowing

The Trustee may, on the instructions of the Manager and subject to COLL, borrow money from an eligible institution or an approved bank for the use of each Fund on terms that the borrowing is to be repayable out of the property of the Fund.

The Manager must ensure that borrowing does not, on any business day, exceed 10% of the value of the property of each Fund. This borrowing can be on a permanent basis.

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

8. Government and Public Securities

In respect of the SUTL Cazenove Charity Multi-Asset Fund and SUTL Cazenove Charity Responsible Multi-Asset Fund, each Fund may invest without limitation in transferable securities that are defined by the FCA as government and public securities (GAPS).

At any time, where no more than 35% of such Funds value is invested in GAPS issued by any one issuer, there is no limit to the amount which may be invested in GAPS of any one issue or issuer.

When the aforementioned Funds invest more than 35% of the Funds' value the Manager must, before any such investment is made consult with the Trustee, and as a result:

- have considered if the issuer of the GAPS is one which is appropriate in accordance with the investment objectives of each Fund;
- ensure that no more than 30% in value of each Fund consists of GAPS of any one issue and
- ensure that each Fund includes GAPS issued by that or another issuer of at least six different issues.

More than 35% of the property of each Fund may be invested in GAPS issued by or on behalf of or guaranteed by the Government of the UK (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales), Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland and United States (including Government National Mortgage Association (GNMA), Student Loan Marketing Association (SLMA), Tennessee Valley Authority (TVA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Financing Corporation (FICO), Private Export Funding Corporation (PEFCO), Resolution Funding Corporation (RFCO) or by one of the following international organisations: African Development Bank, Asian Development Bank (ADB), Council of Europe Development Bank, Deutsche Ausgleichsbank (DTA), Eurofima, European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), Kreditanstalt für Wiederaufbau (KFW), LCR Finance plc and the Nordic Investment Bank (NIB).

In relation to such securities: issue, issued and issuer include guarantee, guaranteed and guarantor; and an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

In applying the 20% limit with respect to a single body (as specified in the section entitled "Spread Limits"), government and public securities issued by that body shall be taken into account.

9. Stock lending

The Funds do not currently engage in stock lending.

10. General power to accept or underwrite placings

Any power in Chapter 5 of COLL to invest in transferable securities may be used by the Manager for the purpose of entering into any agreement or understanding which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued, subscribed for or acquired for the account of a Fund.

The Manager may only engage in such an agreement or understanding in relation to securities which the relevant Fund could otherwise invest in directly in accordance with the investment objective and policies of the Fund and subject to the limits on investment set out in Appendix I.

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

The exposure of a Fund to agreements and understandings as set out above, on any Business Day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any of the investment limits in Chapter 5 of COLL or as otherwise set out in this section.

11. Risk Management

The Manager uses a risk management process, enabling it to monitor and measure as frequently as appropriate the risk of each Fund's position and their contribution to the overall risk profile of the Fund.

Reporting

The following details of the risk management process must be regularly notified by the Manager to the FCA and at least on an annual basis:

- a true and fair view of the types of derivatives and forward transactions to be used within a Fund together with their underlying risks and any relevant quantitative limits; and
- the methods for estimating risks involved in derivative and forward transactions.

Appendix II

Risks of Investment

1. General Risks

Past performance is not a guide to future performance and Units should be regarded as a medium to long-term investment. The value of investments and the income generated by them may go down as well as up and Unitholders may not get back the amount originally invested. Where the currency of a Fund varies from the Unitholder's home currency, or where the currency of a Fund varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to Unitholders greater than the usual risks of investment.

2. Investment Objective Risk

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for a Fund.

3. Risk of Suspension of Unit dealings

Investors are reminded that in certain circumstances their right to redeem or transfer Units may be suspended (see section entitled "Suspension").

4. Interest Rate Risk

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, a Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

5. Credit Risk

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when a Fund owns securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities.

If a security has been rated by more than one nationally recognised statistical rating organisation the Fund's Investment Adviser may consider the highest rating for the purposes of determining whether the security is investment grade. A Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Fund's Investment Adviser will consider whether the security continues to be an appropriate investment for the Fund. The Fund's Investment Adviser considers whether a security is investment grade only at the time of purchase. Some of the Funds will invest in securities which will not be rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Adviser.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Some of the Funds invest in below investment grade securities. Although investment grade securities generally have lower credit risk than securities rated below investment grade, they may share some of the risks of lower-rated securities, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

6. Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

7. Inflation / Deflation Risk

Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

8. Borrowings and Leverage

A Fund may use borrowings and other forms of leverage for the purposes of making investments. The use of borrowings and leverage creates special risks and may significantly increase a Fund's investment risk. Borrowings and other forms of leverage create opportunities for greater yield and total return but, at the same time, will increase a Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings or leverage that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Units to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Units may decrease more rapidly than would otherwise be the case.

9. Financial Derivative Instrument Risk

For a Fund that uses derivatives to meet its investment objective, there is no guarantee that the performance of the derivatives will result in a positive effect for the Fund and its Unitholders. The use of derivatives may increase the Unit price volatility, which may result in higher losses for the Unitholder.

10. Warrants Risk

When a Fund invests in warrants, the price, performance and liquidity of such warrants are typically linked to the underlying stock. However, the price, performance and liquidity of such warrants will generally fluctuate more than the underlying securities because of the greater volatility of the warrants market. In addition to the market risk related to the volatility of warrants, a Fund investing in synthetic warrants, where the issuer of the synthetic warrant is different to that of the underlying stock, is subject to the risk that the issuer of the synthetic warrant will not perform its obligations under the transactions which may result in the Fund, and ultimately its Unitholders, suffering a loss.

11. Credit Default Swaps Risk

The use of credit default swaps normally carries a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows a Fund to effectively buy insurance on a reference obligation it holds (hedging the investment) or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Fund does not hold the underlying reference obligation, there may be a market risk as the Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. A Fund will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

12. Futures, Options and Forward Transactions Risk

A Fund may use options, futures and forward contracts on currencies, securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Fund is fixed, the Fund may sustain a loss well in excess of that amount. The Fund will also be exposed to the risk of the purchaser exercising the option and the Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions and purchasing options, in particular those traded over-the-counter and not cleared through a central counterparty, have an increased counterparty risk. If a counterparty defaults, the Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

13. Credit Linked Note Risk

A credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment; if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

14. Equity Linked Note Risk

The return component of an equity linked note is based on the performance of a single equity security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

A Fund may use equity linked notes to gain access to certain markets, for example emerging and less developed markets, where direct investment is not possible. This approach may result in the following additional risks being incurred – lack of a secondary market in such instruments, illiquidity of the underlying securities, and difficulty selling these instruments at times when the underlying markets are closed.

15. General Risk of Over-the counter (OTC) Transactions

Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments. In addition, the prices of such instruments may include an undisclosed dealer mark-up which a Fund may pay as part of the purchase price.

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the Fund.

A Fund may enter into OTC derivatives cleared through a clearing house that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly report to the particular Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation, or EMIR), which came into force on 16 August 2012, introduces uniform requirements in respect of OTC derivative transactions by requiring certain "eligible" OTC derivatives transactions to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of derivatives transactions to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivatives contracts which are not subject to mandatory clearing. These requirements include the exchange of margin and, where initial margin is exchanged, its segregation by the parties, including by the Funds.

While many of the obligations under EMIR have come into force, as at the date of this Prospectus the requirement to submit certain OTC derivative transactions to central clearing counterparties (CCPs) and the margin requirements for non-cleared OTC derivative transactions are subject to a staggered implementation timeline. It is not yet fully clear how the OTC derivatives market will adapt to the new regulatory regime. Accordingly, it is difficult to predict the full impact of EMIR on the Funds, which may include an increase in the overall costs of entering into and maintaining OTC derivatives contracts. Prospective Unitholders and Unitholders should be aware that the regulatory changes arising from EMIR and other similar regulations such as the Dodd-Frank Wall Street Reform and Consumer Protection Act may in due course adversely affect a Fund's ability to adhere to its investment policy and achieve its investment objective.

Unitholders should be aware that the regulatory changes arising from EMIR and other applicable laws requiring central clearing of OTC derivatives may in due course adversely affect the ability of the Funds to adhere to their respective investment policies and achieve their investment objective.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Manager has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

16. OTC Derivative Clearing Risk

A Fund's OTC derivative transactions may be cleared prior to the date on which the mandatory clearing obligation takes effect under EMIR in order to take advantage of pricing and other potential benefits. OTC derivative transactions may be cleared under the "agency" model or the "principal-to-principal" model. Under the principal-to-principal model there is usually one transaction between the Fund and its clearing broker and another back-to-back transaction between the clearing broker and the central clearing counterparty ("CCP") whereas under the agency model there is one transaction between the Fund and the CCP. It is expected that many of a Fund's OTC derivative transactions which are cleared will be under the "principal-to-principal" model. However, the following risks are relevant to both models unless otherwise specified.

The CCP will require margin from the clearing broker which will in turn require margin from the Fund. The Fund's assets posted as margin will be held in an account maintained by the clearing broker with the CCP. Such account may contain assets of other clients of the clearing broker (an "omnibus account") and if so, in the event of a shortfall, the assets of the Fund transferred as margin may be used to cover losses relating to such other clients of the clearing broker upon a clearing broker or CCP default.

The margin provided to the clearing broker by the Fund may exceed the margin that the clearing broker is required to provide to the CCP, particularly where an omnibus account is used. The Fund will be exposed to the clearing broker in respect of any margin which has been posted to the clearing broker but not posted to and recorded in an account with the CCP. In the event of the insolvency or failure of the clearing broker, the Fund's assets posted as margin may not be as well protected as if they had been recorded in an account with the CCP.

The Fund will be exposed to the risk that margin is not identified to the particular Fund while it is in transit from the Fund's account to the clearing broker's account and onwards from the clearing broker's account to the CCP. Such margin could, prior to its settlement, be used to offset the positions of another client of the clearing broker in the event of a clearing broker or CCP default.

A CCP's ability to identify assets attributable to a particular client in an omnibus account is reliant on the correct reporting of such client's positions and margin by the relevant clearing broker to that CCP. The Fund is therefore subject to the operational risk that the clearing broker does not correctly report such positions and margin to the CCP. In such event, margin transferred by the Fund in an omnibus account could be used to offset the positions of another client of the clearing broker in that omnibus account in the event of a clearing broker or CCP default.

In the event that the clearing broker becomes insolvent, the Fund may be able to transfer or "port" its positions to another clearing broker. Porting will not always be achievable. In particular, under the principal-to-principal model, where the Fund's positions are within an omnibus account, the ability of the Fund to port its positions is dependent on the timely agreement of all other parties whose positions are in that omnibus account and so porting may not be achieved. Where porting is not achieved, the Fund's positions may be liquidated and the value given to such positions by the CCP may be lower than the full value attributed to them by the Fund. Additionally, there may be a considerable delay in the return of any net sum due to the Fund while insolvency proceedings in respect of the clearing broker are ongoing.

If a CCP becomes insolvent, subject to administration or an equivalent proceeding or otherwise fails to perform, the Fund is unlikely to have a direct claim against the CCP and any claim will be made by the clearing broker. The rights of a clearing broker against the CCP will depend on the law of the country in which the CCP is established and other optional protections the CCP may offer, such as the use of a third party custodian to hold the Fund's margin. On the failure of a CCP, it is likely to be difficult or impossible for positions to be ported to another CCP and so transactions will likely be terminated. In such circumstances, it is likely that the clearing broker will only recover a percentage of the value of such transactions and consequently the amount the Fund will recover from the clearing broker will be similarly limited. The steps, timing, level of control and risks relating to that process will depend on the CCP, its rules and the relevant insolvency law. However, it is likely that there will be material delay and uncertainty around when and how much assets or cash, if any, the clearing broker will receive back from the CCP and consequently the amount the Fund will receive from the clearing broker.

17. Counterparty Risk

A Fund conducts transactions through or with brokers, clearing houses, market counterparties and other agents. A Fund will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Fund may invest into instruments such as notes or warrants the performance of which is linked to a market or investment to which the Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The Funds will only enter into OTC derivatives transactions with reputable institutions which are subject to prudential supervision and specialising in these types of transactions. In principle, the counterparty risk for such derivatives transactions should not exceed 10% of the relevant Fund's net assets when the counterparty is an approved bank or 5% of its net assets in other cases. However, if a counterparty defaults, the actual losses may exceed these limits. If a counterparty were to default on its obligations this may have an adverse impact on the performance of the relevant Fund causing loss to investors.

18. Risks Associated with Dodd-Frank Wall Street Reform

Recent legislative and regulatory reforms, including Dodd-Frank Wall Street Reform, are expected to result in new regulation of swap agreements, including clearing, margin, reporting, record-keeping and registration requirements. New regulations, could, amongst other things, restrict a Fund's ability to engage in swap transactions (for example, by making certain types of swap transactions no longer available to a Fund) and/or increase the costs of such swap transactions (for example, by increasing margin or capital requirements) and a Fund may as a result be unable to execute its investment strategies in a manner the Manager might otherwise choose. It is also unclear how the regulatory changes will affect counterparty risk.

19. Custody Risk

Assets of the Funds are safe kept by the Custodian and Unitholders are exposed to the risk of the Custodian not being able to fully meet its obligation to restitute in a short time frame all of the assets of the Funds in the case of bankruptcy of the Custodian. Securities of the Funds will normally be identified in the Custodian's books as belonging to the Funds and segregated from other assets of the Custodian which mitigates but does not exclude the risk of non restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non restitution in case of bankruptcy. The Custodian does not keep all the assets of the Funds itself but may use a network of sub-custodians which are not part of the same group of companies as the Custodian. Unitholders are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the Custodian.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The Custodian may have no liability where the assets of the Funds that are traded in such markets.

20. Smaller Companies Risk

A Fund which invests in smaller companies may fluctuate in value more than other Funds. Smaller companies may offer greater opportunities for capital appreciation than larger companies, but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group. Securities of smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Consequently investments in smaller companies may be more vulnerable to adverse developments than those in larger companies and the Fund may have more difficulty establishing or closing out its securities positions in smaller companies at prevailing market prices. Also, there may be less publicly available information about smaller companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

21. Technology Related Companies Risk

Investments in the technology sector may present a greater risk and a higher volatility than investments in a broader range of securities covering different economic sectors. The equity securities of the companies in which a Fund may invest are likely to be affected by world-wide scientific or technological developments, and their products or services may rapidly fall into obsolescence. In addition, some of these companies offer products or services that are subject to governmental regulation and may, therefore, be adversely affected by governmental policies. As a result, the investments made by a Fund may drop sharply in value in response to market, research or regulatory setbacks.

22. Lower Rated, Higher Yielding Debt Securities Risk

A Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in the Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.

23. Property and Real Estate Companies Securities Risk

The risks associated with investments in securities of companies principally engaged in the real estate industry include: the cyclical nature of real estate values; risks related to general and local economic conditions; overbuilding and increased competition; increases in property taxes and operating expenses; demographic trends and variations in rental income; changes in zoning laws; casualty or condemnation losses; environmental risks; regulatory limitations on rents; changes in neighbourhood values; related party risks; changes in the appeal of properties to tenants; increases in interest rates; and other influences of capital markets on real estate. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the Fund's investments.

The real estate market has, at certain times, not performed in the same manner as equity and bond markets. As the real estate market frequently performs, positively or negatively and without any correlation to the equity or bond markets, these investments may affect the performance of the Fund either in a positive or a negative manner.

24. Mortgage Related and Other Asset Backed Securities Risks

Mortgage-backed securities, including collateralised mortgage obligations and certain stripped mortgage-backed securities represent a participation in, or are secured by, mortgage loans. Asset-backed securities are structured like mortgage-backed securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicles instalment sales or instalment loan contracts, leases of various types of real and personal property and receivables from credit card agreements.

Traditional debt investments typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on mortgage-backed and many asset-backed investments typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or foreclosure. A Fund may have to invest the proceeds from prepaid investments in other investments with less attractive terms and yields. As a result, these securities may have less potential for capital appreciation during periods of declining interest rates than other securities of comparable maturities, although they may have a similar risk of decline in market value during periods of rising interest rates. As the prepayment rate generally declines as interest rates rise, an increase in interest rates will likely increase the duration, and thus the volatility, of mortgage-backed and asset-backed securities. In addition to interest rate risk (as described above), investments in mortgage-backed securities composed of subprime mortgages may be subject to a higher degree of credit risk, valuation risk and liquidity risk (as described above). Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of the security's price to changes in interest rates. Unlike the maturity of a fixed income security, which measures only the time until final payment is due, duration takes into account the time until all payments of interest and principal on a security are expected to be made, including how these payments are affected by prepayments and by changes in interest rates.

The ability of an issuer of asset-backed securities to enforce its security interest in the underlying assets may be limited. Some mortgage-backed and asset backed investments receive only the interest portion or the principal portion of payments on the underlying assets. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying assets. Interest portions tend to decrease in value if interest rates decline and rates of repayment (including prepayment) on the underlying mortgages or assets increase; it is possible that a Fund may loose the entire amount of its investment in an interest portion due to a decrease in interest rates. Conversely, principal portions tend to decrease in value if interest rates rise and rates of repayment decrease. Moreover, the market for interest portions and principal portions may be volatile and limited, which may make them difficult for a Fund to buy or sell.

A Fund may gain investment exposure to mortgage-backed and asset-backed investments by entering into agreements with financial institutions to buy the investments at a fixed price in a future date. A Fund may or may not take delivery of the investments at the termination date of such an agreement, but will nonetheless be exposed to changes in the value of the underlying investments during the term of the agreement.

25. Initial Public Offerings Risk

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

26. Risk associated with Debt Securities issued pursuant to Rule 144A under the Securities Act of 1933

SEC Rule 144A provides a safe harbour exemption from the registration requirements of the Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. The advantage for Unitholders may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in rule 144A securities is restricted and only available to qualified institutional buyers. This might increase the volatility of the security prices and, in extremes conditions, decrease the liquidity of a particular rule 144A security.

27. Emerging and Less Developed Markets Securities Risk

Investing in emerging markets and less developed markets securities poses risks different from, and/or greater than, risks of investing in the securities of developed countries. These risks include; smaller market-capitalisation of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; and possible repatriation of investment income and capital. In addition, foreign investors may be required to register the proceeds of sales, and future economic or political crises could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalisation or the creation of government monopolies. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging and less developed countries.

Although many of the emerging and less developed market securities in which a Fund may invest are traded on securities exchanges, they may trade in limited volume and may encounter settlement systems that are less well organised than those of developed markets. Supervisory authorities may also be unable to apply standards that are comparable with those in developed markets. Thus there may be risks that settlement may be delayed and that cash or securities belonging to the relevant Fund may be in jeopardy because of failures of or defects in the systems or because of defects in the administrative operations of counterparties. Such counterparties may lack the substance or financial resources of similar counterparties in a developed market. There may also be a danger that competing claims may arise in respect of securities held by or to be transferred to the Fund and compensation schemes may be non-existent or limited or inadequate to meet the Fund’s claims in any of these events.

In addition investments in certain emerging and less developed countries, such as Russia and Ukraine, are currently subject to certain heightened risks with regard to the ownership and custody of securities. In these countries, shareholdings are evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the custodian). No certificates representing shareholdings in companies will be held by the custodian or any of its local correspondents or in an effective central depository system. As a result of this system and the lack of effective state regulation and enforcement, a Fund could lose its registration and ownership of the securities through fraud, negligence or even mere error. Debt securities also have an increased custodial risk associated with them as such securities may, in accordance with market practice in the emerging or less developed countries, be held in custody with institutions in those countries which may not have adequate insurance coverage to cover loss due to theft, destruction or default. It should be taken into consideration that when investing in government debt of emerging or less developed countries, particularly Ukraine, whether via the primary or secondary market, local regulations may stipulate that investors maintain a cash account directly with the sub-custodian. Such balance represents a debt due from the sub-custodian to the investors and the custodian shall not be liable for this balance.

Additional risks of emerging market securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organised and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition taxation of interest and capital gains received by non-residents varies among emerging and less developed markets and, in some cases may be comparatively high. There may also be less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.

28. Specific Risks linked to Stock Lending and Repurchase Transactions

Stock lending and repurchase transactions involve certain risks. There is no assurance that a Fund will achieve the objective for which it entered into a transaction.

Repurchase transactions might expose the Fund to risks similar to those associated with optional or forward derivative financial instruments, the risks of which are described in other parts of this Prospectus. Stock loans may, in the event of a counterparty default or an operational difficulty, be recovered late and only in part, which might restrict the Fund's ability to complete the sale of securities or to meet redemption requests.

The Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will forfeit its collateral if it defaults on the transaction. If the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to the Fund or to purchase replacements for the securities that were lent to the counterparty. In the latter case, the Fund's tri-party lending agent will indemnify the Fund against a shortfall of cash available to purchase replacement securities but there is a risk that the indemnity might be insufficient or otherwise unreliable.

In the event that the Fund reinvests cash collateral in one or more of the permitted types of investment that are described above, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. There is also a risk that the investment will become illiquid, which would restrict the Fund's ability to recover its securities on loan, which might restrict the Fund's ability to complete the sale of securities or to meet redemption requests.

29. Private equity

A Fund may gain exposure to private equity through investment in transferable securities and/or regulated collective investment schemes which themselves invest in this asset class. Investments in private equity involve a high degree of risk and can be illiquid and highly speculative.

30. Hedge Funds

A Fund may gain exposure to hedge funds through investment in transferable securities and/or regulated collective investment schemes which themselves invest in these asset classes. Underlying hedge funds will utilise both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of its investment policy. These risks associated with these instruments are described above. The underlying hedge funds may also sell covered and uncovered options on securities. To the extent that such options are uncovered, such underlying hedge funds could incur an unlimited loss.

Underlying hedge funds may only be available for subscription or redemption on a periodic basis (e.g. quarterly). Furthermore some such schemes may be closed for subscription/and or redemptions, may be subject to certain restrictions or limitations, and there is unlikely to be an active secondary market in the shares or units of such underlying hedge funds. Accordingly it may be difficult or impossible for an underlying hedge fund to acquire, realise or value its investment as and when it deems appropriate. The inability to accurately value and/or realise such investments may restrict the ability of an underlying hedge fund to redeem shares or units.

31. Potential Conflicts of Interest

The Manager and Trustee are both charity trustees (Charity Trustees) for the purposes of section 177 Charities Act 2011 and in this capacity they have agreed to the following shared set of principles in respect of their decision-making:

- In addition to any other legal and regulatory obligations they have, the Charity Trustees have a legal duty to act only in the best interests of the Trust and its Funds, in furtherance of its charitable purposes.

- In the context of the role of a charity trustee, a conflict of interest is any situation in which the Charity Trustees' interests could, or could be seen to, conflict with this duty.

- The Charity Trustees will identify, manage and record any conflict of interests in relation to the Trust and its Funds in accordance with their respective conflict of interest policies, their respective obligations under the Trust Deed and any applicable laws and guidance, including the Charity Commission Guidance (CC29) and the FCA Rules.

- The Charity Trustees acknowledge that nothing in this Prospectus will exclude or limit their duties or obligations as charity trustees or under any other applicable laws and guidance.

The Manager operates and maintains organisational and administrative arrangements designed to prevent conflicts of interest from adversely affecting the interests of the Trust and its Funds.

When identifying the types of conflict of interest that may arise, the Manager will take into account the interests of the Manager, including those deriving from its belonging to a group or from the performance of services and activities, the interests of the investors and the duty of the management company towards the Scheme, and the interests of any other scheme managed by the Manager. Once any such conflicts have been identified, the Manager will, acting in the best interests of the Fund, manage and record them in accordance with its conflict of interest policy, the Trust Deed and applicable laws and guidance.

Appendix III

Fund Details

General

Where a Fund's investment policy refers to investments in corporations of a particular country or region, such reference means (in the absence of any further specification) investments in companies listed, incorporated, headquartered or having their principal business activities in such country or region.

Where a Fund's investment policy refers to investments in non-government bonds, such reference includes (in the absence of any further specification) those issued by quasigovernment, supra-national agencies and sub-sovereign issuers as well as bonds issued by corporate entities.

Where a Fund's investment policy refers to investments issued in a particular currency, such reference includes (in the absence of any further specification) investments issued in another currency but hedged back to the specified currency.

Where a Fund states that it will invest a percentage of its assets in a certain way (i) the percentage is indicative only as, for example, the Manager may adjust the Fund's exposure to certain asset classes in response to adverse market and/or economic conditions and/or expected volatility, when in the Manager's view to do so would be in the best interests of the Fund and its unitholders; and (ii) such assets exclude cash or other liquidities which are not used as backup for derivatives unless otherwise stated. When a Fund states that it invests up to a maximum percentage of its assets (e.g. 80%) in a certain way, such assets include cash or other liquidities which are not used as backup for derivatives.

Where a Fund's investment policy includes a benchmark, this has been chosen for the following reasons:

for a comparator benchmark, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA", the trade body that represents UK investment managers) to help investors to compare funds with broadly similar characteristics. If the Fund is classified in any particular IA sector, this IA sector is shown as a comparator benchmark in the Fund Characteristics. The Fund may also show a comparator benchmark where the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes.

for a target benchmark that is a financial index, the benchmark has been selected because it is representative of the type of companies or other types of interest in which the Fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the Fund aims to provide and as a comparator for the Fund's overall performance.

for a target benchmark that is not a financial index, the benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective.

for a constraining benchmark, the benchmark has been selected because the Investment Manager is constrained by reference to the value, price or components of that benchmark as stated in the investment objective.

SUTL Cazenove Charity Multi-Asset Fund

Investment Objective

The Fund aims to provide income and capital growth in excess of inflation (as measured by the UK Consumer Price Index) plus 4% per annum (after fees have been deducted) over rolling ten-year periods by investing in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. This cannot be guaranteed and your capital is at risk.

Investment Policy

The Fund is actively managed and invests directly, or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts or closed ended funds, in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest directly in real estate or indirectly in commodities.

The Fund seeks to generate sustainable returns over the long-term by blending a diversified range of assets, managers and strategies.

The Fund may invest up to 100% of its assets in collective investment schemes (including other Schroder funds).

The Fund may invest in below investment grade securities (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated securities.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), regions, industries or currencies, collective investment schemes, warrants and money market instruments, and may hold cash. In exceptional circumstances, cash holdings may represent 100% of the Fund's assets.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 5 of Appendix I of the Prospectus).

Fund Characteristics

Classes of Units	A Accumulation and A Distribution S Accumulation and S Distribution
Base Currency	GBP (£)
Valuation Point	12:00 p.m.
Dealing Frequency	Daily
Settlement Period of Subscription and Redemption Proceeds	Within 4 Business Days from the relevant Dealing Day
Investment Adviser	Schroder & Co. Ltd
Annual Accounting Date	31 March
Half-Yearly Accounting Date	30 September
Income Allocation Dates	31 May, 31 August, 30 November and 28 February. In relation to Distribution Units, the Fund’s income is distributed on a total return basis. Such distributions are based on the target distribution rate of 4% per annum and may be funded from interest and/or dividend income and capital. The Manager may periodically review the target distribution rate and reserves the right as appropriate to declare a distribution higher or lower that the target distribution rate. In relation to Accumulation Units, income is not distributed but is automatically reinvested in the Fund and is reflected in the value of these Units.
Profile of a Typical Investor	The Fund aims to provide capital growth with some income potential. It may be suitable for investors who are seeking long-term growth potential offered through investment in equities and bonds as well as other asset classes. Investors should regard their investment as medium to long-term and should read the risk warnings set out in Appendix II and the Fund's Key Investor Information Document before investing.
Benchmark	The Fund’s performance should be assessed against its target benchmark, being to exceed inflation (as measured by the UK Consumer Price Index) plus 4%.
Benchmark Selection	The benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective.
Specific Fund Risk Factors	These specific risk factors should be read in conjunction with the general risks of investment detailed in Appendix II.
Annual Management Charge Being Charged Wholly to Capital	As a result of the annual management fee being charged wholly to capital, the distributable income may be higher, but the capital value may be eroded which may affect future performance.
Total Return Approach	The Fund may return capital as well as interest/dividend income when paying distributions to holders of Distribution Units (a total return approach). Consequently the capital value of the Fund may be eroded and future performance may be adversely. If the price of equities, bonds or other assets held in the Fund fall or the levels of income produced by these assets is less than expected, the Fund may also not achieve its total return objective in a given year or years.

Emerging Markets Risk	The Fund will invest a portion of its assets in the securities of companies incorporated in or operating in emerging markets and investors should be aware of the risks noted below in relation to the Fund's emerging market allocation. – Controls on foreign investment and limitations on repatriation of invested capital and on the Fund's ability to exchange local currencies for sterling – Greater price volatility, substantially less liquidity and significantly smaller market capitalisation of securities markets – Currency devaluations and other currency exchange rate fluctuations – More substantial government intervention in the economy – Higher rates of inflation – Less government supervision and regulation of the securities markets and participants in those markets – Political uncertainty
Investment in Lower Rated, High Yielding Debt Securities	The Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in the Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.
Maximum Permitted Level of Leverage – gross leverage ratio	1.2
Maximum Permitted Level of Leverage – commitment leverage ratio	1.2

Unit Class Features

Classes of Units	Minimum Initial Investment	Minimum Subsequent Investment	Minimum Holding	Annual Management Charge	Initial Charge
A	£10,000	£1,000	£10,000	0.50%	0.00%
S	None	None	None	Up to 0.50%	0.00%

SUTL Cazenove Charity Responsible Multi-Asset Fund

Investment Objective

The Fund aims to provide income and capital growth in excess of inflation (as measured by the Consumer Price Index) plus 4% per annum (after fees have been deducted) over rolling ten-year periods by investing in equity and equity related securities, fixed and floating rates securities and alternative assets worldwide. This cannot be guaranteed and your capital is at risk.

Investment Policy

The Fund is actively managed and invests directly, or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts or closed ended funds, in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest directly in real estate or indirectly in commodities.

The Fund has a responsible investment policy. The responsible investment policy applies investment restrictions on companies involved in military products and services, non-military firearms, pornography, tobacco, gambling, alcoholic drinks, high interest rate lending, human embryonic cloning, tar sands and thermal coal.

The Fund seeks to generate sustainable returns over the long-term by blending a diversified range of assets, managers and strategies.

The Fund may invest up to 100% of its assets in collective investment schemes (including other Schroder funds).

The Fund may invest in below investment grade securities (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated securities.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), regions, industries or currencies, collective investment schemes, warrants and money market instruments, and may hold cash. In exceptional circumstances cash holdings may represent 100% of the Fund's assets.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 5 of Appendix I of the Prospectus).

Fund Characteristics

Classes of Units	A Accumulation and A Distribution S Accumulation and S Distribution
Base Currency	GBP (£)
Valuation Point	12:00 p.m.
Dealing Frequency	Daily
Settlement Period of Subscription and Redemption Proceeds	Within 4 Business Days from the relevant Dealing Day
Investment Adviser	Schroder & Co. Limited
Annual Accounting Date	31 March
Half-Yearly Accounting Date	30 September
Income Allocation Dates	31 May, 31 August, 30 November and 28 February. In relation to Distribution Units, the Fund's income is distributed on a total return basis. Such distributions are based on the target distribution rate of 4% per annum and may be funded from interest and/or dividend income and capital growth. The Manager may periodically review the target distribution rate and reserves the right as appropriate to declare a distribution higher or lower that the target distribution rate. In relation to Accumulation Units, income is not distributed but is automatically reinvested in the Fund and is reflected in the value of these Units.
Profile of a Typical Investor	The Fund aims to provide capital growth with some income potential. It may be suitable for investors who are seeking long-term growth potential offered through investment in equities and bonds as well as other asset classes. Investors should regard their investment as medium to long-term and should read the risk warnings set out in Appendix II before investing.
Benchmark	The Fund's performance should be assessed against its target benchmark, being to exceed inflation (as measured by the UK Consumer Price Index) plus 4%.
Benchmark Selection	The benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective.
Responsible Investment	The Fund will not invest directly in companies which fail to meet the responsible investment criteria set by the Manager. The full responsible investment criteria applicable to the Fund are set out in a separate responsible investment policy which is available to investors on www.cazenovecharities.com. The policy reflects common charity concerns and may be amended as considered necessary in consultation with unit holders. This policy will be reviewed regularly by the Manager.

Specific Fund Risk Factors	These specific risk factors should be read in conjunction with the general risks of investment detailed in Appendix II.
Annual Management Charge Being Charged Wholly to Capital	As a result of the annual management fee being charged wholly to capital, the distributable income may be higher, but the capital value may be eroded which may affect future performance.
Total Return Approach	The Fund may return capital as well as interest/dividend income when paying distributions to holders of Distribution Units (a total return approach). Consequently the capital value of the Fund may be eroded and future performance may be adversely. If the price of equities, bonds or other assets held in the Fund fall or the levels of income produced by these assets is less than expected, the Fund may also not achieve its total return objective in a given year or years.
Emerging Markets Risk	The Fund will invest a portion of its assets in the securities of companies incorporated in or operating in emerging markets and investors should be aware of the risks noted below in relation to the Fund's emerging market allocation. – Controls on foreign investment and limitations on repatriation of invested capital and on the Fund's ability to exchange local currencies for sterling – Greater price volatility, substantially less liquidity and significantly smaller market capitalisation of securities markets – Currency devaluations and other currency exchange rate fluctuations – More substantial government intervention in the economy – Higher rates of inflation – Less government supervision and regulation of the securities markets and participants in those markets – Political uncertainty
Investment in Lower Rated, High Yielding Debt Securities	The Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in the Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.
Maximum Permitted Level of Leverage – gross leverage ratio	1.2
Maximum Permitted Level of Leverage – commitment leverage ratio	1.2

Unit Class Features

Classes of Units	Minimum Initial Investment	Minimum Subsequent Investment	Minimum Holding	Annual Management Charge	Initial Charge
A	£10,000	£1,000	£10,000	0.60%	0.00%
S	None	None	None	Up to 0.60%	0.00%

Appendix IV

Eligible Markets List

In order to qualify as an approved security, the market upon which securities are admitted to or dealt must, with certain exceptions permitted under COLL regulations, meet certain criteria as laid down in COLL.

Eligible Markets include any market established in a member state of the European Union or the European Economic Area (an EEA State) on which transferable securities admitted to official listing in the member state are dealt in or traded. It also includes Multilateral Trading Facilities (MTFs) operating in the EU which operates regularly and is open to the public. In the case of all other markets, in order to qualify as an eligible market, the Manager, after consultation with the Trustee, must be satisfied that the relevant market; (A) is regulated; (B) operates regularly; (C) is recognised; (D) is open to the public; (E) is adequately liquid and (F) has adequate arrangements for unimpeded transmission of income and capital to investors. The Manager, after consultation with the Trustee, has decided that the following securities exchanges are eligible markets in the context of the investment policy of the Funds.

Regional	
Europe	Those markets established in a member state on which transferable securities admitted to official listing in a member state are dealt in or traded. The market organised by the International Capital Markets Association (ICMA)
Country	
Australia	Australian Securities Exchange
Brazil	BM&F BOVESPA and Bolsa De Valores De Rio de Janerio
Canada	Toronto Stock Exchange and TSX Venture Exchange
China	Shanghai Stock Connect
Hong Kong	Hong Kong Stock Exchange and GEM (Growth Enterprise Market) Hong Kong Stock Connect Hong Kong Bond Connect
India	Bombay (Mumbai) Stock Exchange and National Stock Exchange
Indonesia	Indonesian Stock Exchange
Israel	Tel Aviv Stock Exchange
Japan	The stock exchanges in Fukuoka, Nagoya, Sapporo, Osaka and Tokyo (including JASDAQ and Mothers Market sections of Tokyo Stock Exchange)
Korea	Korea Exchange and KOSDAQ
Malaysia	Bursa Malaysia
Mexico	Mexican Stock Exchange
New Zealand	New Zealand Stock Exchange
Peru	Lima Stock Exchange
Philippines	Philippines Stock Exchange
Saudi Arabia	Tadawul Exchange
Singapore	Singapore Exchange
South Africa	Johannesburg Stock Exchange
Sri Lanka	Colombo Stock Exchange
Switzerland	SIX Swiss Exchange including the former exchange SWX Europe
Taiwan	Taipei Exchange and Taiwan GreTai Securities Market
Thailand	Stock Exchange of Thailand
Turkey	Istanbul Stock Exchange
UK	Those markets established in the UK on which transferable securities admitted to official listing in the UK are dealt in or traded, including LSE and AIM

USA	The NASDAQ Global Select Market, The NASDAQ Global Market and The NASDAQ Capital Market – collectively the NASDAQ Stock Market (the electronic inter-dealer quotation system of America operated by the National Association of Securities Dealers Inc) Any exchange registered with the Securities and Exchange Commission as a national stock exchange including Chicago Stock Exchange, NASDAQ OMX BX, NASDAQ OMX PHLX, National Stock Exchange, NYSE Euronext, NYSE Amex and NYSE Arca The market in transferable securities issued by or on behalf of the Government of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers The Over-the-Counter Market regulated by the National Association of Securities Dealers Inc FINRA Trade Reporting and Compliance Engine (TRACE)
Derivatives	
Australia	ASX Trade24
Belgium	NYSE Euronext, Brussels
Brazil	BM&FBOVESPA and Bolsa De Valores De Rio de Janerio
Canada	Montreal Exchange
Columbia	Bolsa De Valores (BVC)
France	NYSE Euronext, Paris
Germany	Eurex
Hong Kong	Hong Kong Futures Exchange
India	National Stock Exchange
Italy	Borsa Italiana (Italian Derivatives Market)
Japan	Osaka Stock Exchange, Tokyo Stock Exchange, Tokyo Financial Exchange
Korea	Korea Exchange
Mexico	Mercado Mexicano de Derivados
Netherlands	NYSE Euronext, Amsterdam
Poland	Warsaw Stock Exchange
Russia	The Moscow Exchange
Singapore	Singapore Exchange
South Africa	Johannesburg Stock Exchange
Spain	MEFF Renta Variable (Madrid
Sweden	Nasdaq OMX, Stockholm and NASDAQ OMX Nordic
Switzerland	Eurex
Taiwan	Taiwan Futures Exchange
Turkey	Turkish Derivatives Exchange
UK	ICE Futures Exchange
USA	CME Group (including Chicago Board of Trade (CBOT), Chicago Mercantile Exchange (CME), COMEX, New York Mercantile Exchange (NYMEX)), Chicago Board Options Exchange (CBOE), CBOE Futures Exchange (CFE), ICE Futures US Inc, NASDAQ OMX Futures Exchange (NFX), Eris Exchange

Appendix V

Determination of Net Asset Value

The Funds listed in this Prospectus are single priced.

A single priced scheme has a single price for buying and selling units on any business day (the Mid Market Value) and may be subject to the imposition of a dilution adjustment after which the price to be applied is known as the "Dealing Price".

Units will be bought or sold on a forward price basis being the price calculated at the next valuation following receipt of Unitholders' instructions by the Managers.

1. Determination of Net Asset Value for single priced schemes

Calculation of Mid-Market Value

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

(A) All the property of the Fund (including receivables) is to be included, subject to the following provisions.

(B) Property which is not cash (or other assets dealt with in paragraph 3 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

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

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

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

(III) if, in the opinion of the 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;

(2) exchange-traded derivative contracts:

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

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

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

(4) any other investment:

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

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

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

(5) property other than that described in (1), (2), (3) and (4) above: at a value which, in the opinion of the Manager, represents a fair and reasonable mid-market price.

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

(D) In determining the value of the scheme property, all instructions given to issue or cancel units shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the Regulations or the Trust Deed shall be assumed (unless the contrary has been shown) to have been taken.

(E) Subject to paragraphs (F) and (G) below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission shall not materially affect the final net asset amount.

(F) 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 (E).

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

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

(I) Deduct an estimated amount for any liabilities payable out of the property of the Fund and any tax thereon treating periodic items as accruing from day-to-day.

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

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

(L) Add any other credits or amounts due to be paid into the property of the Fund.

(M) Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

(N) 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 unitholders or potential unitholders.

Dilution

For single priced schemes, the actual cost of purchasing or selling the Fund's investments may be higher or lower than the Mid-Market Value used in calculating the Unit price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Unitholders' interest in the Fund, this is known as 'dilution'.

Dilution Adjustment and Large Deals

To mitigate the effects of dilution the Manager has the discretion to make a dilution adjustment on the sale or redemption of Units to adjust the price.

The need to make a dilution adjustment will depend on the volume of sales or redemptions of Units. The Manager may make a discretionary dilution adjustment if, in its opinion, the existing (for net purchases) or remaining Unitholders (for net redemptions) might otherwise be adversely affected. The Manager therefore reserves the right to make a dilution adjustment in the following circumstances:

(A) where the Fund is in continual decline (is suffering a net outflow of investment);

(B) on the Fund experiencing large levels of net sales relative to its size;

(C) on the Fund experiencing net sales or net redemptions on any day equivalent to 1% or more of the size of that Fund;

(D) in any other case where the Manager is of the opinion that the interests of existing or continuing Unitholders and potential Unitholders, require the imposition of a dilution adjustment.

Where a dilution adjustment is made, it will typically increase the dealing price when there are net inflows into the Fund and decrease the dealing price when there are net outflows. The dealing price of each class of Unit in the Fund will be calculated separately but any dilution adjustment will, in percentage terms, affect the price of Units of each class identically.

On the occasions when the dilution adjustment is not made there may be an adverse impact on the total assets of the Fund.

As dilution is related to the inflows and outflows of money from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Manager will need to make such a dilution adjustment. In the usual course of business, the application of a dilution adjustment will be triggered mechanically and on a consistent basis.

Because the dilution adjustment for each Fund will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads, and these can vary with market conditions, this means that the amount of the dilution adjustment can vary over time.

Estimates of the dilution adjustments for each Fund are set out below based on the securities held in each fund and market conditions at the time of publication of the prospectus.

Estimated Dilution Adjustments

Fund	Estimated Dilution Adjustment applicable to purchases	Estimated Dilution Adjustment applicable to redemption
SUTL Cazenove Charity Multi-Asset Fund	0.17%	0.18%
SUTL Cazenove Charity Responsible Multi-Asset Fund	0.17%	0.18%

Appendix VI

Other Collective Investment Schemes managed by the Manager

The Manager is also the manager of the following authorised unit trust schemes:

- Schroder Absolute Return Bond Fund
- Schroder Advanced Beta Global Corporate Bond Fund
- Schroder Advanced Beta Global Equity Small and Mid Cap Fund
- Schroder Advanced Beta Global Equity Value Fund
- Schroder Advanced Beta Global Sovereign Bond Fund
- Schroder Advanced Beta UK Equity Fund
- Schroder All Maturities Corporate Bond Fund
- Schroder All Maturities Index Linked Bond Fund
- Schroder Asian Alpha Plus
- Schroder Asian Income Fund
- Schroder Asian Income Maximiser
- Schroder Diversified Growth Fund
- Schroder Dynamic Multi Asset Fund
- Schroder European Alpha Plus Fund
- Schroder European Fund
- Schroder European Smaller Companies Fund
- Schroder Flexible Retirement Fund
- Schroder Gilt and Fixed Interest Fund
- Schroder Global Emerging Markets Fund
- Schroder Global Equity Fund
- Schroder Global Equity Income Fund
- Schroder Global Healthcare Fund
- Schroder Global Multi-Factor Equity Fund
- Schroder Global Cities Real Estate Income
- Schroder Global Cities Real Estate
- Schroder Income Fund
- Schroder Income Maximiser
- Schroder Institutional Growth Fund
- Schroder Institutional Index Linked Bond Fund
- Schroder Institutional Long Dated Sterling Bond Fund
- Schroder Institutional Pacific Fund
- Schroder Institutional Sterling Bond Fund
- Schroder Institutional UK Smaller Companies Fund
- Schroder Long Dated Corporate Bond Fund
- Schroder Managed Balanced Fund
- Schroder Mixed Distribution Fund
- Schroder Moorgate I Fund
- Schroder Managed Wealth Portfolio
- Schroder MM Diversity Fund
- Schroder MM Diversity Balanced Fund
- Schroder MM Diversity Income Fund
- Schroder MM Diversity Tactical Fund
- Schroder MM International Fund
- Schroder MM UK Growth Fund
- Schroder High Yield Opportunities Fund
- Schroder Prime UK Equity Fund
- Schroder QEP Global Active Value Fund
- Schroder QEP Global Core Fund
- Schroder QEP Global Emerging Markets Fund
- Schroder QEP US Core Fund
- Schroder Recovery Fund
- Schroder Small Cap Discovery Fund
- Schroder Responsible Value UK Equity Fund
- Schroder Sustainable Multi-Asset Equity Fund
- Schroder Sterling Broad Market Bond Fund
- Schroder Strategic Bond Fund
- Schroder Tokyo Fund
- Schroder UK Alpha Plus Fund
- Schroder UK Equity Fund
- Schroder UK Mid 250 Fund
- Schroder UK Real Estate Fund Feeder Trust
- Schroder UK Smaller Companies Fund
- Schroder US Mid Cap Fund
- Schroder US Smaller Companies Fund
- Schroder US Equity Income Maximiser
- SUTL Cazenove GBP Balanced Fund
- SUTL Cazenove GBP Growth Fund
- Anla Fund

- Bowdon General Fund
- Caversham Fund
- Elystan Fund
- Gresham General Fund
- Pilot Hill Fund
- Start Hill Fund
- Thornton Fund
- Winding Wood Fund
- The Betton Fund
- The Blair Fund
- The Cutty Fund
- The Global Growth Fund
- The Little Acorn Fund
- The Milton Fund
- The Mount Diston Fund
- The Pondtail Fund
- The Second Managed Growth Fund
- The Springfield Trust
- Evergreen Fund
- Bass Rock Fund
- Broombriggs Fund
- Scriventon Fund
- Barnegat Light Fund
- Countess Fund
- The Blackline Fund
- Eiger Fund
- Ardnave Fund
- Wadham Fund

The Manager is also ACD for Schroder Investment Fund Company, an open-ended investment company which currently has the following sub-funds:

- Schroder UK Opportunities Fund
- Schroder UK Dynamic Smaller Companies Fund
- Schroder Sterling Corporate Bond Fund
- Schroder Strategic Credit Fund
- Schroder European Recovery Fund
- Schroder Core UK Equity Fund
- Schroder UK Alpha Income Fund
- Schroder European Alpha Income Fund
- Schroder Global Recovery Fund
- Schroder Multi-Asset Total Return Fund
- Schroder India Equity Fund

The Manager is also ACD for:

- The Arcadia Fund
- The Clarkston Fund
- The Wakefield Fund

The Manager is also ACD for Schroder Fusion Investment Fund Company, an open-ended investment company which currently has the following sub-funds:

- Schroder Fusion Portfolio 3
- Schroder Fusion Portfolio 4
- Schroder Fusion Portfolio 5
- Schroder Fusion Portfolio 6
- Schroder Fusion Portfolio 7
- Schroder Fusion Managed Defensive Fund

The Manager is also ACD for Schroder Dynamic Investment Fund Company, an open-ended investment company which currently has the following sub-funds:

- Schroder Dynamic Planner Portfolio 3
- Schroder Dynamic Planner Portfolio 4
- Schroder Dynamic Planner Portfolio 5
- Schroder Dynamic Planner Portfolio 6
- Schroder Dynamic Planner Portfolio 7

The Manager is also ACD for Schroder Absolute Return Fund Company, an open-ended investment company which currently has the following sub-funds:

- Schroder UK Dynamic Absolute Return Fund
- Schroder European Equity Absolute Return Fund

The Manager is also the Manager of SUTL Cazenove Charity UCITS Fund which currently has the following sub-trusts:

- SUTL Cazenove Charity Equity Income Fund
- SUTL Cazenove Charity Equity Value Fund
- SUTL Cazenove Charity Bond Fund

Appendix VII

Performance Details

The historical performance [1] of each Fund is as follows:

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

Fund	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
SUTL Cazenove Charity Multi-Asset Fund	-	-	-	-	-
SUTL Cazenove Charity Responsible Multi-Asset Fund	-	-	-	-	-

[1] Source: Schroders – mid to mid price with net income reinvested, net of the ongoing charges and portfolio costs.

EST. 1804

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by
the Financial Conduct Authority.

NURS Charity Prospectus GBEN 6 November 2019