

PROSPECTUS

of

QUILTER INVESTORS MULTI-ASSET OEIC

**an Investment Company with Variable Capital
valid as at 15 March 2021**

MACFARLANES

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

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SUMMARY

Summary information on Quilter Investors Multi-Asset OEIC is set out below and should be read in conjunction with the full text of this document, from which it is derived.

Structure: Quilter Investors Multi-Asset OEIC (the “**Company**”) is an open-ended investment company incorporated as an investment company with variable capital with PRN 479261. It is a non-UCITS retail scheme for the purposes of that part of the Financial Conduct Authority’s Handbook of Rules and Guidance (“**FCA Rules**”) which deals with regulated collective investment schemes (the “**Sourcebook**”) and an umbrella scheme with ten sub-funds, each referred to in this Prospectus as a “**Fund**”, and together referred to as “**Funds**”.

The seven Funds available for investment are:

Quilter Investors Creation Conservative Portfolio, Quilter Investors Creation Balanced Portfolio, Quilter Investors Creation Moderate Portfolio, Quilter Investors Creation Dynamic Portfolio, Quilter Investors Creation Adventurous Portfolio, Quilter Investors Monthly Income Portfolio and Quilter Investors Monthly Income and Growth Portfolio.

Quilter Investors Generation CPI+ 3 Portfolio, Quilter Investors Generation CPI+ 4 Portfolio and Quilter Investors Generation CPI+ 5 Portfolio are in the process of being terminated and are no longer available for investment.

The investment objective and policy of each Fund is as set out in the “Investment Objectives and Policies” section. All of the Funds will predominantly invest in regulated collective investment schemes established worldwide and will therefore be considered “funds of funds”.

Annual accounting date: 30 April.

Authorised Corporate Director (“ACD”) and Alternative Investment Fund Manager (“AIFM”): Quilter Investors Limited.

Base currency: Pounds Sterling.

Business Day: any day on which the London Stock Exchange is open for normal business except for any day in respect of which the ACD has notified the Depositary that it is not open for normal business due to a concessionary company holiday or otherwise as agreed between the ACD and the Depositary.

Creation Funds: Quilter Investors Creation Conservative Portfolio, Quilter Investors Creation Balanced Portfolio, Quilter Investors Creation Moderate Portfolio, Quilter Investors Creation Dynamic Portfolio and Quilter Investors Creation Adventurous Portfolio.

Dealing Days and valuations: Regular valuations are made in respect of each Fund on each Dealing Day as at the valuation point for each Fund which will be at 12.00 noon (UK time). Each Business Day will constitute a “**Dealing Day**”. Shares will be dealt at a price determined at the valuation point after the request for shares is received. Therefore if a request is received after 12.00 noon on a Dealing Day it will be dealt with at a price determined on the next Dealing Day’s valuation point. A list of non-Dealing Days is available at www.quilterinvestors.com.

Distribution policy: For accumulation shares, all net income will be automatically accumulated after expenses and is reflected in the price of each accumulation share. Holders of income shares are entitled to be paid the income attributable to such shares. Income accrued shall be calculated and accumulated as set out in the “Distributions and Accumulation” section.

Efficient Portfolio Management (“EPM”): an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost or generation of additional capital or income at a level of risk which is consistent with the relevant Fund’s risk profile and the risk diversification rules appearing in the FCA Rules.

Generation Funds: Quilter Investors Generation CPI+ 3 Portfolio, Quilter Investors Generation CPI+ 4 Portfolio and Quilter Investors Generation CPI+ 5 Portfolio.

Monthly Income Funds: Quilter Investors Monthly Income Portfolio and Quilter Investors Monthly Income and Growth Portfolio.

Net Asset Value: the value of the scheme property of the Company (or of any Fund as the context requires) less the liabilities of the Company (or of the Fund concerned) as calculated in accordance with the instrument of incorporation as amended from time to time (the “**Instrument of Incorporation**”).

Pricing: The prices of shares will be calculated as at the valuation point on each Dealing Day and will be on a forward basis. They will be published daily on the internet at www.quilterinvestors.com (except where the ACD is excused from the requirements to deal in the relevant shares) and will therefore be published on an historic basis. Prices are also available by telephoning 0808 100 3579.

PRN: the product reference number assigned by the Financial Conduct Authority to identify each authorised fund.

Shares: The share classes for each Fund, including the minimum investment limits, are set out in Appendix I.

SS&C: SS&C Financial Services International Limited and SS&C Financial Services Europe Limited (formerly known as DST Financial Services International Limited and DST Financial Services Europe Limited respectively).

Further details and explanations appear later in this document. Unless otherwise expressly provided, terms used in this Prospectus have the same meanings as in the Sourcebook.

DIRECTORY

Authorised Corporate Director and Alternative Investment Fund Manager

Quilter Investors Limited
(authorised and regulated by the Financial Conduct Authority)

Senator House
85 Queen Victoria Street
London EC4V 4AB

Depository

Citibank Europe plc, UK Branch
(The Depository is authorised by the Central Bank of Ireland and the Prudential Regulation Authority and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority.)

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Legal Adviser

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

Auditor

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

Administrator

Citibank Europe plc
1, North Wall Quay
Dublin 1
Ireland

Registrar

SS&C
SS&C House
Saint Nicholas Lane
Basildon
Essex SS15 5FS

(the register of shareholders can be inspected at this address)

IMPORTANT NOTICE

THIS DOCUMENT IS IMPORTANT

If you are in any doubt as to the meaning of any information contained in this document, you should consult the ACD or your financial adviser.

This Prospectus is intended for distribution in the United Kingdom. Its distribution may be restricted in other countries. It does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer or solicitation. Intending investors should inform themselves about and observe the legal requirements within their own countries for the acquisition of shares in the Company and any taxation or exchange control legislation affecting them personally, including the obtaining of any requisite governmental or other consents and the observation of any other formalities.

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

CONSTITUTION

Quilter Investors Multi-Asset OEIC is an open-ended investment company with variable capital incorporated in England and Wales (number: IC000630) under The Open-Ended Investment Companies Regulations 2001 (the “**OEIC Regulations**”). The Company is a non-UCITS retail scheme for the purposes of the Sourcebook and an umbrella scheme. The Company is also an Alternative Investment Fund for the purposes of the Alternative Investment Fund Manager’s Directive 2011/61/EU as it applies in the UK from time to time (“**AIFM Rules**”). The head office of the Company is at Senator House, 85 Queen Victoria Street, London EC4V 4AB. The authorisation from the Financial Services Authority (the predecessor of the Financial Conduct Authority (the “**FCA**”)) was made effective on 25 April 2008. The Company has an unlimited duration.

Each Fund of the Company will be invested in accordance with this Prospectus and the provisions of the Sourcebook applicable to a “non-UCITS retail scheme”.

Subject to the terms set out in this Prospectus, holders of shares in a Fund are entitled to receive or have accumulated the net income derived from that Fund and to redeem their shares at a price linked to the value of the property of that Fund. Shareholders do not have any proprietary interest in the underlying assets of the Funds. The shareholders are not liable for the debts of the Funds.

The minimum size of the Company’s capital is £1 and the maximum size is £10,000,000,000.

The operation of the Company is governed by the OEIC Regulations, the Sourcebook, the Instrument of Incorporation and this Prospectus.

The Funds represent segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other Fund and shall not be available for any such purpose.

INVESTMENT OBJECTIVES AND POLICIES

The investment objectives and policies of the Funds are set out below. The investment objective and/or investment policy of each Fund may be amended from time to time. Any change to the investment objective and/or the investment policy of a Fund shall be reflected in the Prospectus after receipt of approval from the FCA and shall be approved by, or notified to the relevant shareholders in accordance with the requirements of the OEIC Regulations and Sourcebook.

The base currency of each of the Funds is Pounds Sterling.

Quilter Investors Creation Conservative Portfolio (PRN 640356)

INVESTMENT OBJECTIVE	<p>To achieve capital growth over a period of five years or more.</p> <p>The portfolio is diversified across asset classes, with exposure to equities between 0% and 35% and with volatility of between 3% and 7%.*</p>
INVESTMENT POLICY	<p>The Fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the Fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.</p> <p>The Fund targets a volatility level reflective of its asset allocation.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	<p>IA Mixed Investment 0-35% Shares Sector average performance.</p> <p>This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.</p>
INVESTMENT STYLE	<p>The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.</p>

* The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Quilter Investors Creation Balanced Portfolio (PRN 640357)

INVESTMENT OBJECTIVE	To achieve capital growth over a period of five years or more.
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	The portfolio is diversified across asset classes, with exposure to equities between 15% and 55% and with volatility of between 6% and 10%.*
INVESTMENT POLICY	<p>The Fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the Fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.</p> <p>The Fund targets a volatility level reflective of its asset allocation.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	IA Mixed Investment 20-60% Shares Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

* The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Quilter Investors Creation Moderate Portfolio (PRN 640359)

INVESTMENT OBJECTIVE	<p>To achieve capital growth over a period of five years or more.</p> <p>The portfolio is diversified across asset classes, with exposure to equities between 35% and 75% and with volatility of between 9% and 13%.*</p>
INVESTMENT POLICY	The Fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the Fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

	<p>The Fund targets a volatility level reflective of its asset allocation.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	IA Mixed Investment 40-85% Shares Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

***The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.**

Quilter Investors Creation Dynamic Portfolio (PRN 640360)

INVESTMENT OBJECTIVE	<p>To achieve capital growth over a period of five years or more.</p> <p>The portfolio is diversified across asset classes, with exposure to equities between 60% and 90% and with volatility of between 12% and 16%.*</p>
INVESTMENT POLICY	<p>The Fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the Fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.</p> <p>The Fund targets a volatility level reflective of its asset allocation.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	IA Flexible Investment Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.

INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.
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***The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.**

Quilter Investors Creation Adventurous Portfolio (PRN 783340)

INVESTMENT OBJECTIVE	To achieve capital growth over a period of five years or more. The portfolio is diversified across asset classes, with exposure to equities between 80% and 100% and with volatility of between 15% and 19%.*
INVESTMENT POLICY	The Fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the Fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD. The Fund targets a volatility level reflective of its asset allocation. The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.
PERFORMANCE COMPARATOR	IA Flexible Investment Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

***The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.**

Quilter Investors Generation CPI+ 3 Portfolio (PRN 640364)

THIS FUND IS IN THE PROCESS OF BEING TERMINATED AND IS NO LONGER AVAILABLE FOR INVESTMENT

INVESTMENT OBJECTIVE	The Fund aims to achieve a total return (the combination of income and capital growth), by outperforming the annual rate of
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	<p>the UK Consumer Price Index (CPI) by 3%, net of charges, over rolling five year periods.</p> <p>Although the Fund aims to achieve a positive return over rolling five year periods, capital invested is, in fact, at risk and there is no guarantee that a positive return will be generated over that time period or any other time period.</p>
INVESTMENT POLICY	<p>The Fund invests through collective investment schemes (up to 100% of the value of the Fund, and which may include those managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will vary between equities, fixed interest, property, commodities and currency.</p> <p>The Fund may also invest directly in transferable securities (such as company shares and bonds), warrants, money market instruments, deposits, cash, near cash and derivatives.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
TARGET BENCHMARK	<p>The target benchmark for the Fund is the annual rate of the UK Consumer Price Index (CPI) + 3%. This benchmark is considered appropriate on the basis that the Fund is managed with a view to outperforming this Index as set out in the investment objective.</p>
INVESTMENT STYLE	<p>The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.</p>

Quilter Investors Generation CPI+ 4 Portfolio (PRN 640367)

THIS FUND IS IN THE PROCESS OF BEING TERMINATED AND IS NO LONGER AVAILABLE FOR INVESTMENT

INVESTMENT OBJECTIVE	<p>The Fund aims to achieve a total return (the combination of income and capital growth), by outperforming the annual rate of the UK Consumer Price Index (CPI) by 4%, net of charges, over rolling five year periods.</p> <p>Although the Fund aims to achieve a positive return over rolling five year periods, capital invested is, in fact, at risk and there is no guarantee that a positive return will be generated over that time period or any other time period.</p>
INVESTMENT POLICY	<p>The Fund invests through collective investment schemes (up to 100% of the value of the Fund, and which may include those managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will vary between equities, fixed interest, property, commodities and currency.</p>

	<p>The Fund may also invest directly in transferable securities (such as company shares and bonds), warrants, money market instruments, deposits, cash, near cash and derivatives.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
TARGET BENCHMARK	The target benchmark for the Fund is the annual rate of the UK Consumer Price Index (CPI) + 4%. This benchmark is considered appropriate on the basis that the Fund is managed with a view to outperforming this Index as set out in the investment objective.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

Quilter Investors Generation CPI+ 5 Portfolio (PRN 640370)

THIS FUND IS IN THE PROCESS OF BEING TERMINATED AND IS NO LONGER AVAILABLE FOR INVESTMENT

INVESTMENT OBJECTIVE	<p>The Fund aims to achieve a total return (the combination of income and capital growth) by outperforming the annual rate of the UK Consumer Price Index (CPI) by 5%, net of charges, over rolling five year periods.</p> <p>Although the Fund aims to achieve a positive return over rolling five year periods, capital invested is, in fact, at risk and there is no guarantee that a positive return will be generated over that time period or any other time period.</p>
INVESTMENT POLICY	<p>The Fund invests through collective investment schemes (up to 100% of the value of the Fund, and which may include those managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will vary between equities, fixed interest, property, commodities and currency.</p> <p>The Fund may also invest directly in transferable securities (such as company shares and bonds), warrants, money market instruments, deposits, cash, near cash and derivatives.</p> <p>The Fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
TARGET BENCHMARK	The target benchmark for the Fund is the annual rate of the UK Consumer Price Index (CPI) + 5%. This benchmark is considered appropriate on the basis that the Fund is managed

	with a view to outperforming this Index as set out in the investment objective.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

Quilter Investors Monthly Income Portfolio (PRN 843522)

INVESTMENT OBJECTIVE	The Fund aims to provide income with the potential for some capital growth over a period of five years or more.
INVESTMENT POLICY	<p>The risk profile of the Fund is broadly balanced, with between 20% and 60% invested in equities and the remainder in other asset classes and with volatility of between 6% and 10%*.</p> <p>The Fund will invest through collective investment schemes (up to 100% of the value of the Fund, including those that are managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will be to equities, fixed interest, property, commodities and currency. Whilst the Fund is actively managed, it will typically hold a minimum of 35% in passive investment vehicles or instruments. The use of passive investment vehicles or instruments when blended with active vehicles and instruments will form part of the overall strategy to meet the Fund's objective.</p> <p>The Fund may also invest directly in transferable securities, derivative instruments and forward transactions (for investment purposes or Efficient Portfolio Management), cash, near cash, warrants, money market instruments, and permitted deposits. The Fund may sell call options over securities or portfolios of securities or indices in order to generate additional income. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	IA Mixed Investment 20-60% Shares Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

***The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.**

Quilter Investors Monthly Income and Growth Portfolio (PRN 843523)

INVESTMENT OBJECTIVE	The Fund aims to provide income and capital growth over a period of five years or more.
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INVESTMENT POLICY	<p>The risk profile of the Fund is broadly moderate, with between 40% and 85% invested in equities and the remainder in other asset classes and with volatility of between 9% and 13%*.</p> <p>The Fund will invest through collective investment schemes (up to 100% of the value of the Fund, including those that are managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will be to equities, fixed interest, property, commodities and currency. Whilst the Fund is actively managed, it will typically hold a minimum of 35% in passive investment vehicles or instruments. The use of passive investment vehicles or instruments when blended with active vehicles and instruments will form part of the overall strategy to meet the Fund's objective.</p> <p>The Fund may also invest directly in transferable securities, derivative instruments and forward transactions (for investment purposes or Efficient Portfolio Management), cash, near cash, warrants, money market instruments, and permitted deposits. The Fund may sell call options over securities or portfolios of securities or indices in order to generate additional income. The use of derivatives for the purpose of investment may affect the risk profile of the Fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the Fund.</p>
PERFORMANCE COMPARATOR	IA Mixed Investment 40-85% Shares Sector average performance. This sector is considered appropriate on the basis that the Fund's equity exposure over time is expected to be similar to that of the average fund in this sector. The Fund is not managed with reference to a benchmark.
INVESTMENT STYLE	The Fund is actively managed. This means the fund manager uses their expertise to pick investments to achieve the Fund's objective.

***The volatility range is a target, based on long term actuarial assumptions and the Fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.**

Performance Comparators and Benchmarks

Where a Fund has a performance comparator, this has been selected from either the Investment Association sectors or Morningstar categories, depending on the appropriateness of the sector or category to the Fund's investment strategy. The relevant sector or category represents an appropriate comparator which can be used to assess the performance of the Funds. Where a Fund is managed by reference to a benchmark, the benchmark will be detailed in the Fund's Investment Objective.

Further Funds

Subject to the Sourcebook the ACD may establish additional Funds from time to time. On the introduction of any new Fund a revised Prospectus will be prepared setting out the relevant details of each Fund.

THE AUTHORISED CORPORATE DIRECTOR

The Authorised Corporate Director of the Company is Quilter Investors Limited a limited company incorporated in England and Wales on 4th June 2001 with registered number 4227837. The head office

and registered office of the ACD are Senator House, 85 Queen Victoria Street, London EC4V 4AB. As at the date of this Prospectus, the amount of the ACD's issued share capital is £12,600,000 of ordinary £1 shares of which £12,600,000 is allotted and fully paid up.

In addition to the Company, the ACD acts as authorised corporate director of the open-ended investment companies and acts as manager of the authorised unit trusts set out in Appendix V.

The ACD is authorised and regulated in the United Kingdom by the FCA whose address is 12 Endeavour Square, London E20 1JN.

When managing investments of the Company, the ACD will not be obliged to make use of information which in doing so would be a breach of its duty of confidence to any other person or which comes to the notice of an employee or agent of the ACD but properly does not come to the notice of an individual managing the assets of the Company.

As alternative investment fund manager of the Company the ACD is responsible for portfolio management and risk management of the Company and administering the Company's affairs in compliance with the AIFM Rules. The ACD may delegate its management and administration functions, but not its responsibility to third parties, including associates, subject to the AIFM Rules. Details of the delegated functions are set out below. While the ACD delegates a number of its functions, it has the necessary expertise and resources to supervise the delegated tasks effectively and manage the risks associated with such delegation. In part, this is achieved by ensuring that the individual directors of the ACD have the relevant expertise and that the delegated tasks are overseen by committees that report directly to the ACD's board.

The ACD is entitled to be indemnified by the Company against liabilities incurred in acting as ACD of the Company to the extent permitted by the OEIC Regulations and the Sourcebook.

The directors of the ACD are as follows:

Dean Bowden
Tim Breedon
Sarah Fromson
Paul Simpson
Richard Skelt

The directors of the ACD are on the board of other companies within the Quilter plc group which may invest in the Funds. However none of the directors have any other business activities which are of significance to the business of the Funds.

The ACD provides its services to the Company under the terms of an ACD agreement dated 18 December 2013 as amended and restated from time to time (the "**ACD Agreement**").

The ACD Agreement provides that the appointment of the ACD may be terminated by the Company or the ACD giving not less than 6 months' written notice to the other party or the ACD Agreement may be terminated earlier in certain circumstances.

Upon termination of its appointment, the ACD is entitled to payment of its fees, in accordance with "Fees and Expenses of the Authorised Corporate Director" section of this Prospectus, to the date of termination. No compensation for loss of office is provided for in the ACD Agreement.

The Company is required to indemnify the ACD against all liabilities as a result of any negligent or wrongful direction or requirement of the Company given or made under the ACD Agreement. Copies of the ACD Agreement are available to shareholders upon request. The fees to which the ACD is entitled are set out in the "Fees and Expenses of the Authorised Corporate Director" section of this Prospectus.

Shareholders have no direct contractual rights against the ACD; any action taken against the ACD under the ACD agreement where the Company has suffered loss must be taken by the Company itself.

In addition, the Company may by ordinary resolution remove any director notwithstanding anything in this Prospectus or in any agreement between the Company and such director. Such removal shall take

effect only upon the satisfaction of either of the conditions appearing in Regulation 21(3) of the OEIC Regulations and shall be without prejudice to any claim such director may have for damages for breach of any such agreement. The resolution mentioned in this paragraph may not be moved at a meeting unless notice of the intention to move such a resolution has been given to the Company at least 28 days before the meeting.

The Company has no other directors.

Potential conflicts of interest arising from the appointment of the ACD are set out in the “Conflicts of Interest” section below.

THE DEPOSITARY

Introduction and key duties

Under the terms of a Depositary Agreement, Citibank Europe plc, acting through its UK Branch (the “**Depositary**”) has been appointed as depositary of the assets of the Funds and the assets of the Funds have been entrusted to the Depositary for safekeeping.

The key duties of the Depositary consist of:

- cash monitoring and verifying each Fund’s cash flows;
- safekeeping of the scheme property of each Fund;
- ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of shares are carried out in accordance with the Instrument of Incorporation, this Prospectus, and applicable law, rules and regulations;
- ensuring that in transactions involving the scheme property of a Fund that any consideration is remitted to the relevant Fund within the usual time limits;
- ensuring that each Fund’s income is applied in accordance with the Instrument of Incorporation, this Prospectus, applicable law, rules and regulations; and
- carrying out instructions from the ACD unless they conflict with the Instrument of Incorporation, this Prospectus, or applicable law, rules and regulations.

Information about the Depositary

The Depositary is a public limited company with registered number 132781 domiciled in Ireland whose registered office is at 1 North Wall Quay, Dublin 1. The Depositary conducts its business in Great Britain from its branch offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. The branch was established on 15 September 2015. The Depositary is authorised by the Central Bank of Ireland and the Prudential Regulation Authority but in respect of its services as a depositary in Great Britain is subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority.

Liability of the Depositary

As a general rule the Depositary is liable for any losses suffered as a result of the Depositary’s, its agent’s or sub-custodian’s negligence, intentional failure or fraud in fulfilling its obligations except that it will not be liable for any loss where:

- the event which has led to the loss is not the result of any act or omission of the Depositary or a third party to whom the Depositary has delegated its safekeeping function;
- the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice; and

- despite rigorous and comprehensive due diligence, the Depositary could not have prevented the loss.

However, in the case of loss of a financial instrument by the Depositary, or by a third party, the Depositary is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss arose as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Delegation of safekeeping function

Under the terms of the Depositary Agreement the Depositary has the power to delegate its safekeeping functions.

As a general rule, whenever the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems, does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain assets of Funds to the delegates and sub-delegates set out in Appendix VII hereto.

Conflicts of interest

From time to time conflicts may arise between the Depositary and the delegates or sub-delegates. For example, a conflict may arise where an appointed delegate or sub-delegate is an affiliated group company which receives remuneration for another custodial service that it provides to the Fund. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to applicable laws.

Reuse of scheme property by the Depositary

Under the Depositary Agreement the Depositary has agreed that it, and any person to whom it delegates custody functions, may not reuse any of the assets of a Fund with which it has been entrusted without the consent of the ACD.

Terms of the Depositary Agreement

The appointment of the Depositary has been made under an agreement between the Funds, the ACD and the Depositary dated 29 April 2016, as may be amended, restated or supplemented from time to time (the "**Depositary Agreement**").

The Depositary Agreement may be terminated by not less than 90 days' written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary.

Without prejudice to any indemnity to which the Depositary may otherwise be entitled under applicable law, the Company and the ACD will (i) indemnify the Depositary for all losses, costs, damages, taxes and expenses (including reasonable legal fees and disbursements) (each a "**Loss**") incurred by the Depositary (directly or payable to its agents or sub-custodians) arising in connection with the failure of the Company or the ACD to perform any of its obligations under the Depositary Agreement or arising from or in connection with the Depositary's appointment or performance under the Depositary Agreement, and (ii) defend and hold the Depositary harmless from or in connection with any Loss imposed on, incurred by, or asserted against the Depositary (directly or through any of its agents or sub-custodians) or otherwise arising in connection with or arising out of any claim, action or proceeding by any third party, except any Loss arising from the Depositary's failure to satisfy its obligation of due skill, care and diligence as provided in the Depositary Agreement or the failure of any agent to satisfy the same standard of care, or any Loss for which the Depositary is liable under the requirements of the AIFM Rules or any Loss resulting from the negligence, intentional failure or fraud of the Depositary or any of its agents or sub-custodian.

The Depositary is entitled to receive remuneration out of the scheme property for its services, as explained in “The Fees and Expenses of the Depositary” section below.

Shareholders may request an up to date statement regarding any of the information set out above from the ACD.

THE ADMINISTRATOR AND REGISTRAR

The administrator of the Trust is Citibank Europe plc (the “**Administrator**”) with its head office in Ireland at 1, North Wall Quay, Dublin 1, Ireland.

The ACD has entered into an agreement with the Administrator under which the Administrator is responsible, as the ACD’s delegate, for administering the Company, including fund accounting, tax and pricing functions.

SS&C acts as registrar (the “**Registrar**”). In this capacity it is responsible for processing subscriptions and redemptions of shares and maintaining the register of shareholders (see further at the “Register” section). SS&C’s address is SS&C House, Saint Nicholas Lane, Basildon, Essex SS15 5FS.

Shareholders have no direct contractual rights against the Administrator and Registrar. Potential conflicts of interest arising from the appointment of the Administrator and Registrar are set out in the “Conflicts of Interest” section below.

SHARES IN THE COMPANY

Share classes

The Instrument of Incorporation allows the issue of both income and accumulation shares.

Details of the shares are set out in Appendix I.

Accumulation Shares

Investors may hold accumulation shares in the Creation Funds, Generation Funds and Monthly Income Funds.

Holders of accumulation shares are not entitled to be paid the income attributable to such shares, but that income is automatically transferred to (and retained as part of) the capital assets of the relevant fund and reflected in the price of such shares. Tax vouchers will be issued in respect of income accumulated and tax accounted for.

Income Shares

Investors may hold income shares in the Generation Funds and Monthly Income Funds.

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

Designation of Shares

A (GBP) Accumulation shares and A (GBP) Income shares are predominantly offered to direct retail investors, as well as to intermediaries whose business remains eligible for commission or legacy business. However, A (GBP) Accumulation shares and A (GBP) Income shares in the Monthly Income Funds are only available to the ACD and its associates, or to other investors at the ACD’s discretion.

R (GBP) Accumulation shares and R (GBP) Income shares are predominantly offered to platforms and independent financial advisers whose business is not eligible for commission, and who in the ACD’s reasonable opinion are able to subscribe an amount in excess of the investment minimum of £5,000,000.

U1 (GBP) Accumulation shares and U1 (GBP) Income shares are only available to investors who in the ACD's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out in Appendix I and who have agreed specific terms of business with the ACD.

U2 (GBP) Accumulation shares and U2 (GBP) Income shares are offered only as an investment through designated financial intermediaries who have agreed specific terms of business with the ACD.

F (GBP) Accumulation shares and F (GBP) Income shares are only available to investors who in the ACD's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out in Appendix I, who have agreed specific terms of business with the ACD and who subscribe for their shares in advance of 30 April 2021 (the "Cut-Off Date"). After the Cut-Off Date the share classes will be closed to new investment, however subsequent investments by shareholders already holding F (GBP) Accumulation shares or F (GBP) Income shares as at the Cut-Off Date, and who meet the above criteria, will continue to be permitted.

Other classes of shares

In the future the Company may, with the approval of the FCA, issue other classes of shares in relation to each Fund. Creation of such further classes will not affect the rights of holders of shares of the existing classes.

Key Investor Information and Available Share Classes

Each share class that is available for subscription will have a Key Investor Information Document ("KIID") issued in accordance with the requirements of the FCA. Prospective investors should consider the KIID for the relevant share class prior to subscribing for shares in that class in order to assist them in making an informed investment decision. Each KIID is available from www.quilterinvestors.com. Some share classes may not currently be offered for subscription, and in the event that a KIID is not available from the aforementioned source, prospective investors should contact the Registrar directly to determine whether the relevant share class is available for subscription. Prospective investors must ensure that they have read the most up to date KIID for the relevant share class in which they intend to invest before doing so.

Voting rights

Voting rights attached to each class of shares are described in the "Voting" section.

Compulsory redemption

Shares may be compulsorily redeemed in the circumstances described in the "Mandatory redemption or transfer of shares" section.

Register

A register of shareholders is maintained by the Registrar and can be inspected at SS&C House, Saint Nicholas Lane, Basildon, Essex, SS15 5FS. Certificates are not issued. To assist shareholders in monitoring their holdings of shares a half-yearly valuation showing current holdings will be sent to all shareholders in a Fund, or to the first named shareholder in the case of joint holdings.

The register is prima facie evidence as to matters properly entered in it. No notice of any trust (express, implied or constructive) may be entered in the register or be receivable by the Company. The Registrar is not obliged to register more than four persons as the joint holders of any shares.

Should any shareholder require evidence of title to shares the ACD will, upon such proof of identity as the Company may reasonably require, supply the shareholder with a certified copy of the relevant entry in the register relating to the shareholder's holding of shares.

General

Shareholders must notify the Registrar of any change of name or address.

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

No bearer shares will be issued.

The shareholders of the Company will not be liable for the debts of the Company or the Funds.

TRANSFER OF SHARES

A shareholder is entitled (subject as mentioned below) to transfer shares by an instrument of transfer in any usual or common form or in any other form approved by the ACD. At present, transfer of title by electronic communication is only permitted where (i) the Registrar has made arrangements to allow shares to be bought on-line or through other communication media and (ii) the ACD, or one of its associates, has entered into an agreement with the relevant third party institution. The ACD is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of shares of the class in question. The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered in the register.

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

VALUATIONS

General

Each share in a Fund represents the overall property of the Fund; so for any purpose a valuation of shares of any given class in a Fund is achieved by valuing the property in the Fund attributable to that class, less expenses and charges, and dividing that value by the number of shares of the relevant class in existence.

Initial offer period

The initial offer period for any Fund which is due to launch will be specified from time to time.

Following the expiry of such initial offer period, shares to satisfy applications received before the valuation point (see below for details of the valuation points) will be issued at a price based on that day's valuation point and shares to satisfy an application received after that time will be issued at a price calculated at the valuation point on the next Dealing Day.

In respect of any Fund, an initial offer period will come to an immediate end if the ACD does not carry out a valuation immediately, but after having taken reasonable care, it ascertains that, if the current price of a share were to be calculated by reference to an immediate valuation, it would be likely to vary from the share's initial price by 2% or more of the initial price; or the ACD carried out a valuation immediately after it ascertained these circumstances and the valuation showed there is a variation of 2% or more. The ACD will not invest subscriptions received during the initial offer period.

Valuations

Regular valuations are made in respect of all Funds on each Business Day as at 12.00 noon (UK time), which is the valuation point for each Fund.

The calculation of prices of shares commences at or about the valuation point on each Dealing Day. The ACD may carry out additional valuations in accordance with the Sourcebook if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (see the "Suspension of dealings" section). The ACD is required to notify share prices to the Depositary on completion of a valuation.

The property of a Fund is valued on the following basis in accordance with the Instrument of Incorporation:

- Transferable securities for which market quotations are available are valued at their last quoted price prevailing at the valuation point where available (or, if separate buying and selling prices are quoted, the average of such prices); in the case of order-driven markets the most recently known price at which the securities were traded on the relevant exchange is used. Any unquoted or suspended investments are valued at the ACD's discretion, in accordance with the Sourcebook (see "Fair Value Pricing" below).
- Units or shares in collective investment schemes are valued, in the case of single priced collective investment schemes, at the last quoted price available, or, in the case of dual priced collective investment schemes, at the mid of the cancellation and creation prices. In the case of collective investment schemes managed by the ACD this will be the most recent Net Asset Value available for single priced collective investment schemes (prior to any dilution adjustment) and the mid of cancellation and creation for dual priced collective investment schemes.
- Cash and amounts held in current and deposit accounts and other time-related deposits are valued at their nominal value.
- Derivative instruments dealt in on a market will be valued at the settlement price for such instruments on such market. Over-the-counter ("**OTC**") derivative contracts will be valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is approved for the purpose by the Depositary and who is independent of the counterparty (the "**Counterparty Valuation**"); or (ii) using an alternative valuation provided by a competent person appointed by the ACD and approved for the purpose by the Depositary or a valuation by any other means provided that the value is approved by the Depositary (the "**Alternative Valuation**"). Where such Alternative Valuation method is used the Company will follow international best practise and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA and will be reconciled to the Counterparty Valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained.
- Contingent liability transactions will be valued using a method agreed between the ACD and the Depositary incorporating the following requirements: written options will be valued after deduction of the premium receivable; off-exchange futures will be valued at the net value of closing out; all other contingent liability transactions will be valued at the net value of margin on closing out.
- Any other property will be valued at what the ACD considers a fair and reasonable mid-market price.
- In valuing assets, any fiscal or other charges paid or payable on the acquisition or disposal of the asset are excluded.
- Deductions are made for anticipated UK and non-UK tax liabilities and for an estimated amount of other liabilities payable out of the property of the Fund, and for outstanding borrowings together with accrued but unpaid interest.
- Amounts are added in respect of prudently estimated, recoverable tax and any other amounts due to be paid into the Fund.
- A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.
- The total amount of any set-up costs to be (but not yet) reimbursed to the ACD will be deducted.

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

Fair Value Pricing

The ACD may apply a fair value price determined in accordance with the Sourcebook if it has reasonable grounds for believing that no reliable price exists for a security at a valuation point or the most recent price available does not reflect the ACD's best estimate of the value at the valuation point.

Allocation of assets and liabilities to Funds

Each Fund has credited to it the proceeds of all sales of shares in that Fund, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or assets deriving from such investments. All liabilities and expenses attributable to a Fund are charged to it.

The Company is required to allocate (and the ACD may from time to time reallocate) any assets, costs, charges or expenses which are not attributable to a particular Fund among the Funds (and between the share classes in each Fund) in a manner which is fair to the shareholders of the Company generally.

Prices of shares

The Company deals on a forward price basis, that is at the price for each class of share in each Fund at the next valuation point following receipt of a request to purchase or redeem shares.

The Company operates on the basis of "single pricing", i.e. the issue and redemption price of a share at a particular valuation point will be the same. Accordingly there will only be a single price for any share as determined from time to time by reference to a particular valuation point. The price of a share is calculated (to at least four significant figures) by:

- taking the value of the relevant Fund attributable to the relevant class at the next valuation point of the Fund;
- deducting any fees payable by the relevant class at the valuation point concerned which have not already been paid by the relevant Fund; and
- dividing the result by the number of shares of the relevant class in the relevant Fund in issue immediately before the valuation point concerned.

Once the single price of a share has been determined (including the dilution adjustment) the initial charge (if applicable) will be applied to the amount invested or redeemed.

Dilution adjustment policy

What is a dilution adjustment? Where the Company buys or sells underlying investments in response to a request for the purchase or redemption of shares, it would generally incur a cost. These costs may include dealing charges, commissions, levies, transfer taxes, anti-dilution levy and the effects of the difference between the buying and selling prices of the underlying investments and the mid-price at which the Fund is valued. If these costs were not reflected in the share price paid by or to the shareholder when buying or selling shares there would be an impact upon existing shareholders, referred to as "dilution", which may constrain the Fund's future growth.

Therefore, once the single price of a share has been determined (in accordance with "Price of shares" above) a "dilution adjustment" may be applied to the price in accordance with the policy outlined below. This is known as swinging single pricing i.e. the price swings in response to particular circumstances to mitigate dilution.

When there are net inflows to a Fund, a dilution adjustment may be applied to increase the price (price swings up) and when there are net outflows from a Fund, a dilution adjustment may be applied to reduce the price (price swings down). This is to reflect the true cost of purchasing or redeeming shares in the Company. These costs are estimated and can vary over time dependent on prevailing dealing spreads and market transaction costs and as a result the dilution adjustment will also vary over time.

Why impose a dilution adjustment? Any dilution adjustment is imposed for the protection of existing shareholders within the Fund to prevent inflows and outflows adversely affecting their interests through the costs referred to above. Neither the ACD nor any introducing agent in any way benefits from the imposition of a dilution adjustment.

In what circumstances might a dilution adjustment be imposed? The ACD may make a discretionary dilution adjustment if in its opinion the existing shareholders (for inflows) or continuing shareholders (for outflows) might otherwise suffer a material adverse impact. In particular, the ACD reserves the right to make a dilution adjustment in the following circumstances:

- (a) on a Fund experiencing large levels of net inflows relative to its size;
- (b) on a Fund experiencing large levels of net outflows relative to its size; or
- (c) in any other case where the ACD is of the opinion that the interests of existing or continuing shareholders require the imposition of a dilution adjustment.

Furthermore, when a Fund is typically expanding or contracting the ACD may operate a dilution adjustment on a semi-permanent basis to reflect the trend of net flows in to or out of the Fund.

As dilution is directly related to the inflows and outflows of monies from a Fund, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is not possible to accurately predict how frequently the ACD will need to make such a dilution adjustment.

What is the size of any dilution adjustment? The dilution adjustment rates are set out below:

Fund	Dilution adjustment on purchases	Dilution adjustment on redemptions
Quilter Investors Creation Conservative Portfolio	0.31%	0.26%
Quilter Investors Creation Balanced Portfolio	0.32%	0.24%
Quilter Investors Creation Moderate Portfolio Fund	0.29%	0.22%
Quilter Investors Creation Dynamic Portfolio Fund	0.27%	0.18%
Quilter Investors Creation Adventurous Portfolio	0.24%	0.15%
Quilter Investors Generation CPI+ 3 Portfolio	0.30%	0.23%
Quilter Investors Generation CPI+ 4 Portfolio	0.34%	0.24%
Quilter Investors Generation CPI+ 5 Portfolio	0.28%	0.17%
Quilter Investors Monthly Income Portfolio	0.41%	0.24%
Quilter Investors Monthly Income and Growth Portfolio	0.42%	0.19%

These rates are indicative and are based on historical data. They are intended to provide a guide to shareholders and potential shareholders on the possible rate at which the dilution adjustment may be charged. The ACD will review dilution adjustments on at least a quarterly basis and according to prevailing market conditions. Furthermore, due to the nature of investments held within some of the Funds the ACD reserves the right to impose a higher dilution adjustment on any day where, due to the size of the net inflow or net outflow, higher trading cost will be incurred.

PURCHASE, REDEMPTION, CONVERSION AND SWITCHING OF SHARES

General

Requests for the purchase, redemption and switching of shares are normally dealt with by the issue or cancellation of shares by the Depositary on the instructions of the ACD. However, in certain circumstances the ACD may, in accordance with the Sourcebook, deal with such requests by selling shares to, and/or repurchasing them from, the Applicant (as defined below) as appropriate. Conversions of shares (where a shareholder exchanges shares in one share class in a Fund for shares in another share class in the same Fund) are effected by an amendment to the Register and not by a redemption and re purchase. The ACD is entitled to hold shares for its own account and to satisfy requests for the sale of shares from its own holding; it is required by the Sourcebook to procure the issue or cancellation of shares by the Company where necessary to meet any obligation to sell or redeem shares.

If on receiving instructions from the ACD to issue or cancel shares, the Depositary is of the opinion that it is not in the interests of the shareholders that the shares should be issued or cancelled either at all or in the number instructed by the ACD the Depositary must give notice to the ACD that it refuses to issue, or as the case may be cancel, all, or a specified number of the shares.

The ACD may not sell a share at a higher price, or redeem a share at a lower price than the price notified to the Depositary in respect of the valuation point concerned.

The ACD is under no obligation to account to the Company or to shareholders or any of them for any profit it makes on the issue of shares or on the reissue or cancellation of shares which it has redeemed, and will not do so.

Purchase

Applications

Dealings are at forward prices, i.e. at a price calculated by reference to the next valuation point following receipt of an application. Shares to satisfy an application received before the valuation point (see the "Valuations" section) on a Dealing Day will be sold at a price based on that day's valuation point and shares to satisfy an application received after that time, or on a day which is not a Dealing Day, will be sold at a price calculated at the valuation point on the next Dealing Day. Each Business Day will constitute a Dealing Day.

Shares can be bought by sending a completed application form to the Registrar (acting on behalf of the ACD) at Quilter Investors Limited, P.O Box 10278, Chelmsford, CM99 2AR or by telephoning on 0800 100 3579. In addition, the Registrar has made arrangements with a third party institution to allow shares to be bought on-line or through other communication media. At present, transfer of title by electronic communication is only permitted where the ACD, or one of its associates, has entered into an agreement with that third party institution. Application forms are available from the Registrar and/or the ACD. Applications are irrevocable.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the Applicant, any application for shares in whole or in part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the Applicant. In that event application moneys or any balance will be returned to the Applicant by post at his or her risk.

It should be noted that, pursuant to legislation in force in the United Kingdom to prevent money laundering (the "**Money Laundering Regulations**"), the ACD may in its absolute discretion require

verification of identity from any person applying for shares (the “**Applicant**”) including, without limitation, any Applicant who:

- (a) tenders payment by way of cheque or banker’s draft on an account in the name of a person or persons other than the Applicant; or
- (b) appears to the ACD to be acting on behalf of some other person.

In the former case verification of the identity of the provider of funds may be required in addition to the Applicant. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.

A new corporate criminal offence came into force in the United Kingdom in 2017. This targets the failure by a ‘relevant body’ to prevent facilitation of tax evasion. If it can be demonstrated that reasonable prevention procedures were in place which were designed to prevent such facilitation occurring, the relevant body will not be guilty of a criminal offence. To the extent that it has not already done so, the ACD reserves the right to adopt such practices and procedures as it deems necessary to avoid committing an offence on the basis of the enacted form of the legislation.

Applications will not be acknowledged but a contract note will be sent to the Applicant (or the first named Applicant in the case of joint applications) on or before the Business Day next following the relevant Dealing Day. Where the total price payable for all shares for which the application is made would include a fraction of one penny it will be rounded up or down to the nearest penny. Settlement is due within four Business Days of the relevant Dealing Day.

If an Applicant defaults in making any payment in money, or by way of a transfer of property, due to the ACD in respect of the sale or issue of shares, the Company is entitled to make any necessary amendment to the register and the ACD will become entitled to the shares in place of the Applicant, subject, in the case of an issue of shares, to the ACD’s payment of the purchase price to the Company. The ACD reserves the right to cancel investments for which settlement is not received, or fails to clear, and to recover from an Applicant, the amount of any decrease in value of the investment if this occurs.

In specie application

The ACD may, by special arrangement and at its discretion (but subject always to the requirement set out in the Sourcebook), agree to arrange for the issue of shares in exchange for assets other than cash but only if the Depository is satisfied that acquisition of the assets in exchange for the number of shares to be issued is not likely to result in any material prejudice to the interests of holders or potential holders of shares in the Fund concerned.

Minimum initial purchase and subsequent investments

The minimum value of shares which may be the subject of any one initial transaction or purchase of shares in a particular share class of a Fund is detailed in Appendix I, as is the minimum of each subsequent investment. The ACD may at its sole discretion accept subscriptions lower than the minimum amount set out in Appendix I.

Minimum holding

In respect of shares in each share class of each Fund, the minimum value of shares which any one person may hold is detailed in Appendix I.

The value of shares for this purpose is calculated by reference to their current price. “Smaller denomination shares” (in effect, fractions of shares equal to 1/1000th of an ordinary share) may be issued and all investments will be rounded up to the nearest smaller denomination share. The minimum holding requirements will not be treated as being breached if the value of shares held falls below the relevant minimum solely as a result of a fall in the share price.

Redemption

Application

Shares in each Fund may be redeemed on any Dealing Day. Dealings are at forward prices as explained under "Purchase" above. Shares to be redeemed pursuant to a redemption request received before the valuation point of the appropriate Fund on a Dealing Day will be redeemed at a price based on that day's valuation point and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a Dealing Day, at a price calculated at the valuation point on the next Dealing Day. Each Business Day will constitute a Dealing Day.

Requests to redeem shares may be made to the Registrar (acting on behalf of the ACD) by telephone on 0808 100 3579 or in writing to Quilter Investors Limited, P.O Box 10278, Chelmsford, CM99 2AR. In addition, the Registrar has made arrangements with a third party institution to allow shares to be redeemed on-line or through other communication media. At present, transfer of title by electronic communication is only permitted where the ACD, or one of its associates, has entered into an agreement with that third party institution. Redemption instructions are irrevocable. The ACD may refuse a redemption instruction if it has reasonable grounds to do so.

A contract note giving details of the number and price of shares sold will be sent to the redeeming shareholder (the first named, in the case of joint shareholders) or his or her duly appointed representative together (if sufficient written instructions have not already been given) with a form of renunciation for completion and execution by the shareholder (and, in the case of a joint holding, by all the joint holders) not later than the end of the Business Day following the later of the request to redeem shares or the valuation point by reference to which the redemption price is determined. Where the total consideration for the transaction would include a fraction of one penny it will be rounded up or down to the nearest penny. The redemption proceeds will be paid not later than the close of business on the fourth Business Day after the later of the following times:

- (a) the valuation point immediately following the receipt by the Registrar of the request to redeem the shares; and
- (b) the time when the Registrar (or the ACD, as the case may be) has received the form of renunciation (or other sufficient written instructions) duly signed by the relevant shareholder or shareholders together with such evidence as the ACD may lawfully require as proof of the identity of the shareholder and all other duly executed instruments and authorisations as effect (or enable the Registrar to effect) transfer of title to the shares.

But neither the Company, the ACD nor the Registrar is required to make payment in respect of a redemption of shares where the money due on the earlier issue of those shares has not yet been received or where the Registrar considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Community obligation (such as the Money Laundering Regulations).

Liquidity management

The ACD has a liquidity management policy and maintains tools and methods of monitoring the liquidity of the Funds, so that the ACD can attempt to ensure that the ACD can carry out investment requests. The liquidity risk management policies and procedures include the management, implementation and maintaining of appropriate liquidity limits for the Funds. In normal circumstances, dealing requests will be processed as set out above. In exceptional circumstances, other procedures, such as suspending dealings in a Fund, borrowing cash, deferring the redemption of shares, or applying in-specie redemptions may be used. The circumstances in which such tools may be used are set out in the relevant sections below.

If the ACD's policy for managing liquidity should change, this will be set out in the Annual Report.

Deferred redemption

If requested redemptions at a valuation point exceed 10% of a Fund's value, in order to protect the interests of continuing shareholders the redemptions may be deferred to the next valuation point in accordance with procedures that ensure the consistent treatment of shareholders who have sought to redeem at that valuation point. The procedures are that to the extent redemption requests are deferred, deferral will be pro rata based on the value of shares being redeemed (provided that the ACD may determine in its discretion a value threshold below which all redemptions will be effected, and above which the foregoing pro rata deferral shall apply) and that all deals relating to an earlier valuation point are completed before those relating to a later valuation point.

In specie redemption

Where a shareholder requests redemption of a number of shares, the ACD at its discretion may, where it considers the deal to be substantial in relation to the total size of the Fund concerned or in some way detrimental to the Fund, by serving a notice of election on the shareholder not later than the close of business on the second Business Day following the day of receipt of the request, elect that the shareholder shall not be paid the price of his or her shares but instead there shall be a transfer to that holder of property of the relevant Fund having the appropriate value. Where such a notice is so served on a shareholder, the shareholder may serve a further notice on the ACD not later than the close of business on the third Business Day following the day of receipt by the shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the shareholder of the net proceeds of that sale. The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary, but only where the Depositary has taken reasonable care to ensure the property concerned is not likely to result in any material prejudice to the interests of the shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount in respect of any applicable exit charge on the redemption of the shares.

Minimum redemption

Unless the ACD in its discretion allows otherwise, a redemption request may not be made in respect of some only of the investor's shares of a Fund if:

- (a) it would result in a holding in a share class of less than the minimum holding in relation to that Fund (see Appendix I); or
- (b) it relates to shares of a share class having a value (calculated by reference to their current price) of less than the minimum withdrawal amount detailed in Appendix I.

Switching

A holder of shares in a Fund may at any time switch all or some of his or her shares ("**Old Shares**") for shares of another Fund or another class ("**New Shares**"). The number of New Shares issued will be determined by reference to the respective prices of New Shares and Old Shares at the valuation point applicable at the time the Old Shares are repurchased and the New Shares are issued.

Switching may be effected in the same way as redemptions (see the "**Redemption**" section). A switch to be made pursuant to a request received before the valuation point of the Funds concerned, on a day which is a Dealing Day for both Funds (or if the valuation points on that day differ, before the first to occur) will be effected at prices based on that day's valuation points. Where a request is received after that time, or on a day which is not a Dealing Day for both Funds, the switch will be effected at a price calculated on the valuation points on the next such Dealing Day.

A contract note giving details of the switch will be sent on or before the Business Day next following the relevant Dealing Day.

A switching shareholder must be eligible to hold the shares into which the switch is to be made.

If the switch would result in the shareholder holding a number of Old Shares or New Shares of a value which is less than the minimum holding in the Fund concerned, the ACD may, if it thinks fit, convert the whole of the Applicant's holding of Old Shares to New Shares or refuse to effect any switch of the Old Shares. No switch will be made during any period when the right of shareholders to require the redemption of their shares is suspended. The general provisions on redeeming shares shall apply equally to a switch.

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

Please note that, under current tax law, a switch of shares in one Fund for shares in any other Fund is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of United Kingdom taxation on chargeable gains, although a switch of shares in one class in a Fund for shares in another class in the same Fund will not normally be deemed to be a realisation for the purposes of United Kingdom taxation on chargeable gains in the United Kingdom.

A shareholder who switches shares in one Fund for shares in any other Fund or shares in one class for shares in another class will not be given a right by law to withdraw from or cancel the transaction.

Share Class Conversions

If applicable, a holder of shares in a class ("**Old Class Shares**") of a Fund may exchange all or some of his or her shares for shares of a different class within the same Fund ("**New Class Shares**"). An exchange of Old Class Shares for New Class Shares will be processed as a conversion ("**Share Class Conversion**"). Unlike a switch, a conversion of Old Class Shares into New Class Shares will not involve a redemption and issue of shares. For the purposes of income equalisation the New Class Shares will receive the same treatment as the Old Class Shares.

The number of New Class Shares issued will be determined by a conversion factor calculated by reference to the respective prices of New Class Shares and Old Class Shares at the valuation point applicable at the time the Old Class Shares are converted to New Class Shares.

Conversions may be effected in the same way as redemptions (see the "Redemption" section). A conversion to be made pursuant to a request received before the valuation point of the Funds concerned, on a day which is a Dealing Day, will be effected at prices based on that day's valuation points. Where a request is received after that time, the conversion will be effected at a price calculated on the valuations points on the next Dealing Day.

A contract note giving details of the conversion will be sent on or before the Business Day next following the relevant Dealing Day.

A converting shareholder must be eligible to hold the shares into which the conversion is to be made.

If the conversion would result in the shareholder holding a number of Old Class Shares or New Class Shares of a value which is less than the minimum holding in the share class concerned, the ACD may, if it thinks fit, convert the whole of the Applicant's holding of Old Class Shares to New Class Shares or refuse to effect any conversion of the Old Class Shares. No conversion will be made during any period when the right of shareholders to require the exchange of their shares is suspended.

The ACD may also, in its sole discretion, convert some or all of the Old Class Shares held by any shareholder to New Class Shares, provided that the conversion does not materially prejudice any such shareholder. The ACD will provide the shareholder with 60 days' prior notice of any such conversion.

Please note that, under current tax law, a conversion of shares between different share classes in the same Fund will not be deemed to be a realisation for the purposes of capital gains taxation.

A shareholder who converts their shares in one share class to shares in a different share class in the same Fund will not be given a right by law to withdraw from or cancel the transaction.

Suspension of dealings

The ACD may with the prior agreement of the Depositary, and without delay if the Depositary so requires, at any time temporarily suspend the sale, redemption and switch of shares in any Fund for as long a period as is necessary if it, or the Depositary in the case of any requirement by the Depositary, is of the opinion that due to exceptional circumstances it is in the interests of shareholders of the Fund.

The ACD must immediately inform the FCA of any suspension, stating the reason for its action and ensure that notice of the suspension is given to shareholders as soon as practicable after the suspension commences. This notification will provide details of the exceptional circumstance which resulted in the suspension and inform shareholders where further details of the suspension (including, if known, its likely duration) will be published.

During a suspension, while it will not generally be possible to deal in shares, the ACD may agree to accept instructions to deal in shares in which case all instructions to deal which are accepted will be undertaken at the first valuation point following the end of the suspension. During the suspension, the ACD will comply with as many of its obligations in relation to valuation and pricing of the shares as is practicable.

The ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

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

Mandatory redemption or transfer of shares

If the ACD reasonably believes that any shares are owned directly or beneficially in circumstances which:

- (a) constitute a breach of the law or governmental regulation or rule (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (c) may result in shares of a particular class being acquired or held by any person not falling within the categories of persons (if any) who are permitted to hold shares of such class,

it may give notice to the holder of such shares requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request in writing the redemption of the shares by the Company and will, in the case of (a), give notice in writing requesting the redemption of the shares. If in the case of (b) or (c) the holder does not either transfer the shares to a qualified person or establish to the ACD's satisfaction that he or she and any person on whose behalf he or she holds the shares are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a 30-day period to have requested their redemption. Please also see the section entitled "Withholding Tax Liability" of this Prospectus for additional circumstances when shares may be compulsory redeemed.

Publication of prices

The prices of each class of shares in each Fund will be published daily on the internet at www.quilterinvestors.com except when the ACD is excused from the requirement to deal in the relevant shares. Prices are also available by telephoning 0808 100 8808. The ACD issues and redeems shares in respect of each Fund on a forward pricing basis, not on the basis of the published prices.

DISTRIBUTIONS AND ACCUMULATION

The annual accounting period for the Company ends on 30 April (the “**Accounting Reference Date**”) or another day chosen by the ACD, if the ACD notifies the Depositary, being within seven days of that date. The half-yearly accounting period ends on the day six months before the Accounting Reference Date (that is, 31 October) or a day chosen by the ACD and notified to the Depositary, being within seven days of that date.

For accumulation shares, all net income will be automatically accumulated after expenses and is reflected in the price of each accumulation share. Income calculation dates for the Creation Funds are 30 April and 31 October and income is reinvested on 30 June and 31 December. Income calculation dates for the Generation Funds are 30 April, 31 July, 31 October and 31 January and income is reinvested on 30 June, 30 September, 31 December and 31 March. Income calculation dates for the Monthly Income Funds are the last day of each calendar month and income is reinvested on the last day of the next calendar month. However, for A (GBP) Accumulation shares in Quilter Investors Monthly Income Portfolio, the first income calculation date will be 30 April 2021 and the first income reinvestment date will be 31 May 2021, or such other date as determined by the ACD at its discretion. Where any such re-investment date falls on a day which is not a Business Day, the amount of income to be accumulated by a Fund shall be paid on the preceding Business Day.

For income shares in the Generation Funds, the income calculation dates are 30 April, 31 July, 31 October and 31 January and holders of income shares are entitled to be paid the income attributable to such shares on 30 June, 30 September, 31 December and 31 March. For income shares in the Monthly Income Funds, the income calculation dates are the last day of each calendar month and holders of income shares are entitled to be paid for the income attributable to such shares on the last day of the next calendar month. However, for A (GBP) Income shares in Quilter Investors Monthly Income Portfolio, the first income calculation date will be 30 April 2021 and the first income payment date will be 31 May 2021, or such other date as determined by the ACD at its discretion. Where any such payment date falls on a day which is not a Business Day, the amount of income to be distributed by a Fund shall be paid on the preceding Business Day.

Tax certificates and current valuations will be sent to shareholders in a Fund at least once in each accounting year. A direct credit or warrant for the amount of the net distribution will, where applicable, be sent to the bank account or the registered address and made payable to the order of the shareholder (or, in the case of joint holders, made payable and sent to the registered address of the first named holder on the register).

For income shares the Company is entitled to reclaim any distribution which has been unclaimed for a period of six years from the date payment was due, and such reclaimed distribution shall become part of the capital of the relevant Fund for the benefit of all shareholders.

Income Allocations (for Generation Funds and Monthly Income Funds only)

The Generation Funds will allocate income quarterly and the Monthly Income Funds will allocate income monthly. To meet the target distribution at each income allocation date, the ACD may choose to adopt a policy of smoothing income over distribution periods to ensure a more regular payment where it considers this is in the interest of Shareholders of each Fund and is consistent with the objective and policy of the Funds.

In relation to income Shares, distributions of income for each Fund in which income Shares are issued are paid by cheque or BACS directly into a Shareholder’s bank account on or before the relevant income allocation date in each year.

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

If a distribution made in relation to any income Shares remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Fund (or, if that no longer exists, to the Company).

The amount available for accumulation or distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant Fund in respect of that period, and deducting the charges and expenses of the relevant Fund paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the Auditor as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and other matters. The ACD may adopt a policy of smoothing income over distribution periods to ensure a more regular payment where it considers this is in the interest of shareholders of each Fund and is consistent with the objective and policy of the Funds.

With the agreement of the Depositary individual amounts of income of £10 or less may not be paid but will be held over and paid at the next distribution date where the amount in total to be paid exceeds £10.

Income equalisation

The price of a share of a particular class in a particular Fund is based on the value of that class's entitlement in the relevant Fund including the income of the Fund since the previous deemed distribution. In the case of the first income calculation made in respect of a share, part of the amount, namely the equalisation payment, is a return of capital and is not taxable as income in the hands of the shareholder.

Equalisation applies only to shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all shares of the Fund concerned issued during the period.

FEES AND EXPENSES

Initial charge

An initial charge, which is paid to the ACD, is calculated as a percentage of the amount invested. Any initial charge is deducted from the total investment amount, and the balance invested in the relevant Fund. The current initial charge for each Fund and share class is detailed in Appendix I.

Switching charge

The ACD is entitled to make a charge in respect of a switch of shares of one class in one Fund for shares of another class in the same Fund or in another Fund (the "**Switching Fee**"). Currently the ACD does not levy a Switching Fee, but reserves the right to charge a Switching Fee equal to the initial charge (see above) in respect of the class of shares being switched into. Any Switching Fee will be deducted from the proceeds of sale of the shares being switched from.

In accordance with the dilution policy set out above, a dilution adjustment may be applied in respect of the shares being sold and purchased as part of the switch.

Exit charge

At present no exit charge is levied on the redemption of shares (although the ACD is permitted to require a dilution adjustment, if applicable). The ACD has the right (subject to the Sourcebook) to introduce a charge on the redemption of shares in the future, but this will not affect shares issued prior to its introduction. For the purpose of determining the length of ownership of redeemed shares, a first in first out policy shall apply.

OTHER FEES AND EXPENSES – GENERATION FUNDS ONLY

Annual management charge

For the Generation Funds, the ACD is entitled to make an annual management charge, calculated and accruing on each Dealing Day at each valuation point (the “**Calculation Date**”), and payable out of the property of each Fund, by way of remuneration for the services of the ACD. The annual management charge is payable to the ACD monthly in arrears. The charge will be calculated separately in respect of each class of share of the Fund, as a percentage rate per annum of the total value of the shares of entitlement in the property of the Fund represented by the class in question on the Calculation Date divided by the number of days in the year and multiplied by the number of days that have passed since the last Calculation Date. The current annual management charges for each Fund and share class are detailed in Appendix I plus value added tax (“**VAT**”) if any.

The first accrual will be in respect of the day on which the first valuation of the Fund is made. The annual management charge will cease to be payable in relation to a Fund on the date of commencement of its termination, and in relation to the Company as a whole on the date of the commencement of its winding up or, if earlier, the date of the termination of the ACD’s appointment as such.

Where the Funds invest in units or shares of other collective investment schemes the Funds will incur annual management charges of those schemes.

The fees and expenses of the Depositary

The fees and expenses of the Depositary shall include its reimbursement of liabilities incurred acting as the Depositary of the Funds and in safekeeping or arranging for the safekeeping of the property of the Funds, in respect of which the Depositary has rights of indemnification under the Depositary Agreement. These fees and expenses are met by the ACD and reimbursed to it under the arrangements described below under “Administration Costs”. Should the ACD fail to meet these fees and expenses, then the Depositary is entitled to collect them direct from the property of the Funds.

Administration costs

The ACD meets the costs set out in the list below and is reimbursed out of the property of the Funds at a flat rate per month of the net value of the relevant Fund. It shall be calculated and will accrue on each Dealing Day at each valuation point, and will be payable out of the property of each Fund monthly in arrears.

The flat rate for each Fund and share class is set out in Appendix VI. These rates have been arrived at after reviewing the historic pattern of costs incurred in relation to each Fund and share class. In order to ensure that investors benefit from economies of scale, where the Net Asset Value of the Generation Funds in aggregate exceeds £1.5bn, the stated rate will be subject to a reduction of 0.05%. For the avoidance of doubt, the flat rates set out in Appendix VI assume that the assets of a Fund do not exceed £1.5bn. These rates will be reviewed annually. The ACD will provide 60 days’ notice prior to making any changes to these rates.

In some periods the flat rate reimbursement may be less than the costs actually incurred. In these circumstances the ACD will pay the difference from its own resources. Conversely, in some periods the flat rate reimbursement may be more than the costs actually incurred. In these circumstances the ACD will retain the difference.

Costs included in flat rate reimbursement:

- (a) fees and expenses of the Administrator;
- (b) fees and expenses of the Registrar;
- (c) fees and expenses of the Depositary (including any payments made in relation to its indemnification under the Depositary Agreement and the cost of custody);

- (d) fees and expenses of the Auditor;
- (e) levies imposed by the FCA and offshore regulators which regulate the Funds;
- (f) cost of convening a shareholder meeting (and circulating a written resolution in lieu of a shareholder meeting);
- (g) cost of preparing and distributing the report and accounts;
- (h) cost of creating or amending documentation relating to the Company including the Instrument, Prospectus and Key Investor Information Documents;
- (i) cost of publishing the price of shares;
- (j) fees and expenses of professional advisors; and
- (k) VAT on any of the above.

The costs set out under "Other Payments by the Company" below will be paid out of the Funds in addition to the flat rate reimbursement.

Other payments

The following expenses (being the actual amounts incurred) may also be payable by the Company out of its capital or income at the discretion of the ACD to the relevant person in respect of whom the expense is incurred, at the time the expense is due:

- (a) brokers' commissions, fiscal charges and other disbursements which are properly incurred in effecting transactions for the Company;
- (b) interest on and other charges relating to permitted borrowings;
- (c) taxation and other duties payable by the Company;
- (d) in relation to a scheme of arrangement where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participants in that other scheme, any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- (e) any sum due by virtue of any provision of the Sourcebook, such as cancellation proceeds and reasonable stock lending expenses;
- (f) the fees and expenses in respect of establishing and maintaining any ISA register;
- (g) the costs of establishing any new Funds;
- (h) VAT in respect of any of the costs, expenses, fees and charges payable by the Company; and
- (i) any other charges/expenses that may be taken out of the Company's property in accordance with the Sourcebook.

Expenses not directly attributable to a particular Fund will be allocated between the Funds. Expenses may be payable out of the capital property and/or income property of the relevant Fund(s) at the discretion of the ACD, subject to any restrictions set out in the Instrument of Incorporation, and to the Sourcebook.

Payments out of capital

For all Funds, some or all of any charges and expenses (including the charges of the ACD, the Depositary and the Administrator) may be treated as a capital expense in accordance with the Sourcebook, which may have the effect of constraining capital growth, as the Company may treat the generation of income as a higher priority than capital growth or (as the case may be) place equal emphasis on the generation of income and on capital growth.

The policy of the ACD is to charge all expenses relating to the Generation Funds to capital.

OTHER FEES AND EXPENSES – CREATION FUNDS AND MONTHLY INCOME FUNDS ONLY

Fixed Ongoing Charge

For the Creation Funds and the Monthly Income Funds, the ACD is entitled to be paid an annual fee for its services in managing the Funds. The fee is a fixed percentage of the Net Asset Value of each share class and is deducted from the scheme property of each Fund. It is called the “**Fixed Ongoing Charge**”. The ACD pays the fees and expenses relating to the operation and administration of the Funds, save for the costs set out below under "Other payments " which will be paid out of the relevant Fund(s) in addition to the Fixed Ongoing Charge. The Fixed Ongoing Charge for each Fund and share class is set out in Appendix I.

In some periods the Fixed Ongoing Charge may be less than the costs actually incurred by the ACD. In these circumstances the ACD will pay the difference from its own resources. Conversely, in some periods the fixed percentage reimbursement may be more than the costs actually incurred by the ACD. In these circumstances the ACD will retain the difference.

It is the intention of the ACD to provide shareholders with certainty as to the fees paid by the Funds and an understanding that this will be a single fixed percentage fee that does not vary month on month.

The ACD will use the Fixed Ongoing Charge to pay for the following fees relating to the operation and administration of the Funds:

- 1 the fees, expenses and disbursements payable to each of the service providers (being the ACD, Administrator, Registrar, Auditor and the Depositary and professional advisers used in the ordinary course of business), including VAT on the above; and
- 2 the following costs, charges, fees and expenses payable in relation to the operation and management of the Funds:
 - (a) levies imposed by the FCA and offshore regulators which regulate the Funds including the fees of any regulatory authority in any country or territory outside of the UK in which Shares in the Funds may be marketed;
 - (b) the cost of convening a shareholder meeting and any costs incurred in respect of such meeting (and circulating a written resolution in lieu of a shareholder meeting);
 - (c) the cost of preparing, translating, printing and distributing the report and accounts, statements, contract notes and other like documentation;
 - (d) any costs incurred in producing and dispatching income and other payments to shareholders;
 - (e) the cost of creating or amending documentation relating to the Company including the Instrument, Prospectus and Key Investor Information Documents;
 - (f) the cost of publishing and circulating details of the Net Asset Value and the price of shares;
 - (g) any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Fund;
 - (h) any costs incurred in taking out and maintain any insurance policy in relation to the Company;

- (i) any costs incurred with communicating with investors; and
- (j) VAT on any of the above.

Calculation and operation of the Fixed Ongoing Charge

The Fixed Ongoing Charge is calculated as a percentage of the scheme property of a Fund. The amount each share class will pay will depend on the scheme property, costs, fees and expenses attributable to each such share class. The Fixed Ongoing Charge accrues on a daily basis by reference to the value of the scheme property of a Fund on the immediately preceding Dealing Day in accordance with the Sourcebook and is payable to the ACD monthly in arrears.

For all Funds, some or all of any charges and expenses may be treated as a capital expense in accordance with the Sourcebook, which may have the effect of constraining capital growth, as the Company may treat the generation of income as a higher priority than capital growth or (as the case may be) place equal emphasis on the generation of income and on capital growth.

For the Creation Funds, the policy of the ACD is to charge all expenses to income with the exception of transaction costs which are treated as capital expenses. For the Monthly Income Funds, the policy of the ACD is to charge all expenses to capital. If the Fixed Ongoing Charge is taken from the income of the Fund and the income received by the relevant Fund is insufficient to meet the Fixed Ongoing Charge then all or some of the Fixed Ongoing Charge may be taken from the capital of the Fund, which may constrain capital growth.

All Funds may invest in shares of schemes managed by the ACD and other managers. No initial or redemption charge is paid on these transactions but the management charge of these underlying shares is borne by the relevant Funds as applicable. This will be reimbursed to the relevant scheme out of the Fixed Ongoing Charge.

Changes to the Fixed Ongoing Charge

Should the underlying fees and expenses that are met out of the Fixed Ongoing Charge reduce or increase, the ACD may change the Fixed Ongoing Charge where it reasonably considers this to be appropriate. The ACD reserves the right to increase or decrease the Fixed Ongoing Charge.

In the event of any changes to the Fixed Ongoing Charge the ACD will notify shareholders in writing in accordance with the FCA's requirements under the Sourcebook. For example:

- (a) before increasing the Fixed Ongoing Charge, the ACD will give shareholders at least 60 days' prior notice in writing; or
- (b) before introducing a new category of costs, charges, fees or expenses which make up the Fixed Ongoing Charge but which are not currently charged to the Fund, the ACD will seek the approval of an extraordinary resolution of shareholders at an Extraordinary General Meeting.

Other payments

In addition to the Fixed Ongoing Charge, the following expenses (being the actual amounts incurred) may also be payable by the Company out of its capital or income at the discretion of the ACD to the relevant person in respect of whom the expense is incurred, at the time the expense is due:

- (a) brokers' commissions, fiscal charges and other disbursements which are properly incurred in effecting transactions for the Company;
- (b) interest on and other charges relating to permitted borrowings;
- (c) taxation and other duties payable by the Company;
- (d) in relation to a scheme of arrangement where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company

in consideration of the issue of shares in the Company to shareholders in that body corporate or to participants in that other scheme, any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;

- (e) any sum due by virtue of any provision of the Sourcebook, such as cancellation proceeds and reasonable stock lending expenses;
- (f) the costs of establishing any new Funds;
- (g) the fees, expenses and disbursements payable to professional advisers used outside the ordinary course of business or in relation to historical periods;
- (h) the fees and expenses in respect of establishing and maintaining any ISA register;
- (i) any other capital charges/expenses that may be taken out of the Company's property in accordance with the Sourcebook; and
- (j) VAT on any of the above.

Expenses not directly attributable to a particular Fund will be allocated between the Funds. Expenses may be payable out of the capital property and/or income property of the relevant Fund(s) at the discretion of the ACD, subject to any restrictions set out in the Instrument of Incorporation, and to the Sourcebook.

TAXATION

The following is a general summary of current UK tax law and Her Majesty's Revenue and Customs ("HMRC") practice; changes can occur without warning. It does not describe the taxation treatment of shareholders who do not hold their interests as an investment, who are subject to special tax regimes or the detailed taxation treatment of persons resident in jurisdictions other than the United Kingdom.

This summary is not, and should not be relied upon by shareholders as being, tax advice. Shareholders are advised to consult their professional advisers as to their individual tax position and see Appendix VIII – Risk Factors.

Taxation of the Company/Funds

As the Funds are sub-funds of an open-ended investment company to which the Authorised Investment Funds (Tax) Regulations 2006 apply, each Fund, and not the Company, is deemed to be a separate taxable entity. The Funds are exempt from UK taxation in respect of capital gains realised on the disposal of investments held within them.

Each Fund, however, is chargeable to UK corporation tax at a rate equal to the basic rate of income tax for the relevant year of assessment on most sources of income (other than, inter alia, dividends treated as being exempt under Part 9A of the Corporation Tax Act 2009 (the "CTA 2009") and the portion of dividend distributions from UK authorised unit trusts and other UK open-ended investment companies which is not unfranked), net of allowable expenses (and, in relevant cases as set out below, interest distributions made by the Fund). The basic rate of income tax is 20% for the tax year 2020/2021. Dividends treated as being exempt under Part 9A CTA 2009 and the portion of dividend distributions from UK authorised unit trusts and other UK open-ended investment companies which is not unfranked will be exempt income of the Fund. Where foreign tax has been deducted from income from overseas sources, some or all of that tax may in some instances be offset against corporation tax payable by the Fund by way of double tax relief.

If throughout a distribution period the investments of any Fund comprise more than 60 per cent. (by value) in "qualifying investments" that Fund may elect to treat its distributions as a payment of interest (as opposed to a dividend) for UK tax purposes. Such a Fund is referred to as a 'bond fund' (though the term does not appear in UK tax legislation). Qualifying investments are, broadly, debt-like

instruments and include the holding of shares in a master fund (whether incorporated in the UK or offshore) that itself holds more than 60% of its investments in debt-like instruments.

If any Fund were to be treated as paying an interest distribution, it would normally be able to deduct the amount of that distribution in computing its taxable income for corporation tax purposes, thereby reducing or eliminating its liability to corporation tax for the period in question.

Reporting of tax information

The Company (or the Funds) and the ACD are subject to obligations which require them to provide certain information to relevant tax authorities about the Company, the Funds, investors and payments made to them.

The International Tax Compliance Regulations 2015 give effect to:

- i. reporting obligations under the Organisation for Economic Co-Operation and Development's Common Reporting Standard for the Automatic Exchange of Financial Account Information (the "CRS"). The Company is required to identify accounts maintained for account holders who are tax resident in the EU or jurisdictions with which the UK has entered into an agreement to automatically exchange tax information and collect and report such information to HMRC; and
- ii. an intergovernmental agreement between the US and the United Kingdom in relation to the US Foreign Account Tax Compliance Act ("FATCA"). FATCA is designed to help the Internal Revenue Service (the "IRS") combat US tax evasion. It requires financial institutions, such as the Company (or the Funds), to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with these requirements will subject the Company (or a Fund) to US withholding taxes on certain US-sourced income and gains.

Provided the Company (or a Fund) complies with its obligations under the International Tax Compliance Regulations 2015 to identify and report taxpayer information directly to HMRC, it should be deemed compliant with FATCA and the CRS. HMRC will share such information with the relevant overseas tax authorities.

Shareholders may be asked to provide additional information to the ACD to enable the Company (or each Fund) to satisfy these obligations. Failure to provide requested information may subject a shareholder to liability for any resulting penalties, US withholding taxes, tax information reporting and/or mandatory redemption, transfer or other termination of the shareholder's interest in a Fund.

DAC 6

Council Directive (EU) 2018/822 ("**DAC 6**") as it applies in the EU Member States, imposes mandatory disclosure requirements on intermediaries and, in certain circumstances, taxpayers effective from 1 July 2020 in respect of reportable cross-border arrangements implemented on or after 25 June 2018. The ACD, the investors in a Fund, or any person that has advised or assisted could be legally obliged to file information in relation to a Fund and its activities with the competent authorities with a view to an automatic exchange of such information with EU Member States. Following the UK's exit from the EU on 31 January 2020 and cessation of the subsequent "transition period" on 31 December 2020 the International Tax Enforcement (Disclosable Arrangements) (Amendment) (No. 2) (EU Exit) Regulations 2020 were introduced, pursuant to which the UK disapplied the majority of the DAC 6 hallmarks, although in certain circumstances DAC 6 disclosures will still need to be made to HMRC.

Withholding Tax Liability

To the extent the Company (or a Fund) is subject to withholding tax as a result of:

- (i) a shareholder failing (or delaying) to provide relevant information to the ACD;
- (ii) a shareholder failing (or delaying) to enter into a direct agreement with the IRS; or
- (iii) the Company (or a Fund) becoming liable under FATCA or any legislation or regulation to account for tax in any jurisdiction in the event that a shareholder or beneficial owner of a

share receives a distribution, payment or redemption, in respect of their shares or disposes (or be deemed to have disposed) of part or all of their shares in any way,

(each a “**Chargeable Event**”), the ACD may take any action in relation to a shareholder’s holding in a Fund to ensure that such withholding is economically borne by the relevant shareholder and/or the ACD and/or its delegate or agent shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax. The action by the ACD may also include, but is not limited to, removal of a non-compliant shareholder from the relevant Fund or the ACD or its delegates or agents redeeming or cancelling such number of shares held by the shareholder or such beneficial owner as are required to meet the amount of tax. Neither the ACD nor its delegate or agent, including the administrator, will be obliged to make any additional payments to the shareholders in respect of such withholding or deduction.

Shareholders should consult their own tax advisors regarding the possible implications of these rules on their investments in any Fund.

Indemnity

Each investor agrees to indemnify the Fund and the ACD and its delegates/agents including the Administrator for any loss caused by such investor arising to the Fund and/or its delegates/agents by reason of them becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event.

Taxation of shareholders

Income distribution and accumulation

For the purposes of UK taxation on income, the same consequences will arise whether a Fund’s income is distributed to a shareholder or accumulated on his or her behalf. The tax consequences set out in the following sections apply equally to accumulations of income by a Fund as they apply to the distributions made by a Fund.

Stamp Duty Reserve Tax (“SDRT”):

Shareholders will generally be liable to SDRT on the acquisition of “chargeable securities” of a Fund (underlying stock or marketable securities of a Fund that are within the charge to SDRT) in exchange for a surrender of their shares in that Fund, unless the surrender is a pro rata in specie redemption.

The charge to SDRT does not generally apply to an agreement to transfer shares the transfer of which is exempt from all stamp duties.

Individual shareholders

Dividend distributions

The dividend tax allowance is £2,000. Income tax is applied to dividend income above the allowance at rates of 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers and 38.1% for additional rate taxpayers.

No withholding tax is levied on dividend distributions made to individual shareholders resident outside the UK. Non-UK resident shareholders should consult their own advisers as to the tax consequences of a receipt of distributions under the law of their own jurisdiction of residence.

Interest distributions

Interest distributions will be made without any deduction for income tax. This means that shareholders will be obliged to include the full amount of the distribution on their tax returns and pay tax accordingly. UK individual taxpayers may be eligible for a tax free allowance of £1,000 (basic rate taxpayers) or £500 (higher rate taxpayers). Additional rate taxpayers are not entitled to any tax free allowance on interest income.

Capital gains

Any capital gains arising to individual shareholders who are resident in the UK on the sale, exchange or other disposal of their shares are, depending on their personal circumstances, subject to capital gains tax.

For 2020/2021, the first £12,300 of chargeable gains from all sources will be exempt from tax. Thereafter, for gains exceeding the annual exempt amount, the capital gains tax rate for 2020/2021 is 10% to the extent that total income and gains are below the income tax basic rate band (that is currently, £37,500 for the tax year 2020/2021) and 20% for higher rate taxpayers.

However, a UK resident individual shareholder who holds his or her shares in an Individual Savings Account (“ISA”) will be exempt from capital gains tax on any gain accruing to him or her on the disposal or deemed disposal of such shares.

A shareholder who is not resident in the UK will not normally be liable to UK tax on capital gains accruing to him or her on the disposal or deemed disposal of his or her holding in any Fund, except where the holding is connected with a trade, profession or vocation carried on by him or her in the UK through a branch or agency or he or she falls within certain anti-avoidance provisions relating to temporary non-UK residence.

Where income equalisation applies, the part of the issue price of shares which reflects accrued income and is returned to the shareholder with the first allocation of income following the issue is deducted from the shareholder’s capital gains tax base cost in the shares.

Exchange between Funds

An exchange of shares in one Fund for shares in any other Fund may be treated as a redemption and sale and may for persons subject to United Kingdom taxation be a disposal for the purposes of UK capital gains tax.

Exchange between share classes of the same Fund

An exchange of one class of shares in one Fund for another class of shares in the same Fund (i.e. an exchange of income shares for accumulation shares in the same Fund and vice versa) will generally not constitute a disposal for the purposes of capital gains taxation.

Inheritance tax

A gift by a shareholder of his or her holding in any of the Funds or the death of a shareholder may give rise to a liability to inheritance tax, even if the shareholder is neither domiciled in the UK, nor deemed to be domiciled there under special rules relating to long residence or previous domicile in the UK. For these purposes, a transfer of a holding at less than the full market value may be treated as a gift.

Corporate shareholders

Dividend distributions

A UK resident corporate shareholder receiving a dividend distribution is treated as receiving a payment which may consist of two parts; an “unfranked” portion and a portion which is not unfranked. In broad terms, the portion treated as not unfranked will be such proportion as is equal to the proportion of the total income of the Fund (brought into account when determining the distribution for the period in question) which consists of dividend income received which is treated as exempt under Part 9A CTA 2009. The not unfranked portion of the payment is treated as dividend income, on which the UK resident corporate shareholder is not chargeable to corporation tax (unless the shareholder is deemed to be a financial trader by HMRC). There are no tax credits which can be reclaimed in relation to the portion of a dividend distribution which is not unfranked. The “unfranked” portion of the distribution is treated as an annual payment from which income tax at 20% has been deducted; it is therefore chargeable to corporation tax at the rate applicable to the UK resident corporate shareholder but with credit for the income tax treated as deducted. The current rate of corporation tax is 19%.

As announced at the 2016 Autumn Statement, the government will modernise the rules on the taxation of dividend distributions to corporate investors in authorised investment funds, including allowing exempt investors, such as pension funds, to obtain credit for tax paid by an authorised investment fund, such as the Funds. There is not yet any indication as to when this legislation will take effect.

Interest distributions

Under section 888C of the Income Tax Act 2007 there is no requirement for any Fund to deduct UK income tax at source from payments of interest to any corporate investor.

Interest distributions paid by a bond fund to a UK tax paying corporate investor who is not a financial trader will be treated as a non-trading loan relationship credit. In these circumstances the bond fund will be able to allocate amounts for distribution as interest. A UK tax paying corporate investor (who is not a financial trader) will also have to treat a distribution from any Fund as a non-trading loan relationship credit if at any time in that investor's accounting period (as opposed to throughout the Fund's distribution period) that Fund fails the qualifying investments test.

Qualifying Investments

If a corporate shareholder who is within the charge to UK corporation tax is required to treat its holding in a Fund as a creditor loan relationship then that corporate shareholder will be taxed in an accounting period on the increase in the market value of its holding during that period (rather than on disposal), or will obtain tax relief on any equivalent decrease in market value.

Capital gains

Any chargeable gains (after taking account of indexation relief) arising to UK resident corporate shareholders on the sale, exchange or other disposal of their shares will be subject to corporation tax.

Where a shareholder's interest in a Fund is treated as a non-trading creditor relationship as described above, its interest is not an asset for the purposes of corporation tax on chargeable gains so that any gain realised on disposal is also treated as a non-trading loan relationship credit.

Exchange between Funds

An exchange of shares in one Fund for shares in any other Fund may be treated as a redemption and sale and may for persons subject to United Kingdom taxation be a disposal for the purposes of UK corporation tax on capital gains.

Exchange between share classes of the same Fund

An exchange of one class of shares in one Fund for another class of shares in the same Fund (i.e. an exchange of income shares for accumulation shares and vice versa) will generally not constitute a disposal for the purposes of capital gains taxation.

General

All Funds of the Company are eligible to be held within the stocks and shares component of an ISA. Income and capital gains within an ISA are tax free. Withdrawals can be made at any time without any loss of tax relief, provided the ISA in question permits this, and relevant conditions of the ISA are followed.

In the case of accumulation shares, reinvested income is deemed to have been distributed to the shareholder for the purposes of taxation and a tax voucher will be issued to the shareholder to provide the appropriate details for their income tax returns.

Each Fund's income and capital gains for tax purposes will follow the determination made for accounting purposes. In the case of Funds which use derivatives for the purpose of meeting the objective of the Fund or for EPM, it should be noted that, where a derivative is entered into to protect or enhance capital, and the circumstances support this, the returns will generally be accounted for as capital. Where the purpose of a derivative is to generate or protect revenue, and the circumstances support this, the returns

will generally be accounted for as revenue. Where a derivative generates total returns, e.g. FTSE 100 index future, it will generally be appropriate to apportion the returns between capital and revenue.

REPORTS AND ACCOUNTS

The annual accounting period of each Fund ends on 30 April or, with the agreement of the Depositary, a day chosen by the ACD being within seven days of that date. The half yearly accounting period of each Fund ends on 31 October or, with the agreement of the Depositary, a day chosen by the ACD being within seven days of that date.

In accordance with the Sourcebook, the ACD shall prepare a long form report half yearly and annually. The annual reports of each Fund will be published on or before 31 August and the half yearly reports on or before 31 December in each year.

Copies of the most recent annual and half yearly long form report of each Fund may be inspected at, and copies obtained free of charge from, the Registrar's office.

Copies of the long form reports of each Fund are also available on request from the ACD.

Annual reports will contain, among other information that may be determined by the ACD, from time to time, (a) a balance sheet or a statement of assets and liabilities, (b) an income and expenditure account for the year, (c) a report on the Company's activities during the relevant year, (d) any material changes in the information contained in this Prospectus or disclosed to shareholders on a periodic basis during the relevant year, (d) any disclosures regarding remuneration of the ACD's directors and staff as may be required by the AIFM Rules.

As required by the AIFM Rules, and where applicable, the following information will be periodically provided to Shareholders by means of disclosure in the annual and half-yearly reports of the Company or, if the materiality so justifies, notified to shareholders separately:

- (a) the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature;
- (b) any new arrangements for managing liquidity;
- (c) the current risk profile of the Company and the risk management systems employed by the ACD to manage those risks;
- (d) any changes to the maximum level of leverage which the ACD may employ on behalf of the Company as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement; and
- (e) the total amount of leverage employed by the Company.

ANNUAL GENERAL MEETING

The Company has dispensed with holding Annual General Meetings in accordance with the OEIC Regulations.

VOTING

Voting rights

Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to:

- (a) those persons who are holders of shares in the Company on the date seven days before the notice is sent; or
- (b) in respect of shares which are participating securities (as defined in the Uncertificated Securities Regulations 1995), those persons who are entered on the register at a time

determined by the ACD (and stated in the notice) not more than 48 hours before the time fixed for the meeting; but

- (c) in respect of shareholders with registered shares, excluding any persons who are known not to be holders at the time of the meeting.

The voting rights attached to each share shall be such proportion of the voting rights attached to all the shares in issue in the Company or Fund or of any class of shares (as the case may be) as the price of the share bears to the aggregate price(s) of all the shares in issue in the Company or such Fund or of such class.

Persons who are entitled to attend a meeting will receive not less than 14 days' written notification by post.

The quorum at a meeting of holders is two shareholders present in person or by proxy or (in the case of a corporation) by a duly authorised representative. If a quorum is not present within half an hour of the time appointed the meeting will (if requisitioned by shareholders) be dissolved and in any other case will be adjourned to such day and time not being less than seven days thereafter. If at such adjourned meeting a quorum is not present within 15 minutes from the appointed time, one person entitled to count in a quorum will be a quorum.

At a meeting of shareholders, on a show of hands every holder who (being an individual) is present in person or, if a corporation, is present by a properly authorised representative, has one vote. On a poll votes may be given either personally or by proxy and the voting rights attached to a share are such proportion of the total voting rights attached to all shares in issue as the price of the share bears to the aggregate price of all shares in issue on the cut-off date. A holder entitled to more than one vote need not, if he or she votes, use all his or her votes or cast all the votes he or she uses in the same way. A vote will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairperson, by the Depositary or by two shareholders present or by proxy.

An instrument appointing a proxy may be in any usual or common form or in any other form approved by the ACD. It should be in writing under the hand of the appointor or his or her attorney or, if the appointor is a corporation, either under the common seal or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

A corporation, being a holder, may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of holders and the person so authorised is entitled to exercise the same powers on behalf of the corporation which he or she represents as the corporation could exercise if it were an individual holder.

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority is determined by the order in which the names stand in the register of holders.

The ACD is entitled to attend any meeting but, except in relation to third party shares, is not entitled to vote or be counted in the quorum and any shares it holds are treated as not being in issue for the purpose of such meeting. An associate of the ACD is entitled to attend any meeting and may be counted in the quorum, but may not vote except in relation to third party shares. For this purpose, third party shares are shares held on behalf of or jointly with a person who, if him/herself the registered shareholder, would be entitled to vote, and from whom the ACD or the associate (as relevant) has received voting instructions.

Powers of a shareholders' meeting

The Instrument of Incorporation and the Sourcebook empower the shareholders in general meeting to sanction or require various steps (which may also be subject to FCA approval), including (among other things):

- changes to certain provisions of the Instrument of Incorporation and fundamental changes to this Prospectus;

- the removal of the ACD.

In certain cases (for example, the approval of changes to the investment objectives of a Fund) an extraordinary resolution, i.e. a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast is required.

Other provisions of the Instrument of Incorporation and the Prospectus may be changed by the ACD without the sanction of a shareholders' meeting in accordance with the Sourcebook.

Class rights

The rights attached to a class of shares may be varied in accordance with the Sourcebook and if fundamental may require the sanction of a resolution passed at a class meeting of the holders of the class concerned. The provisions about notice and conduct of meetings summarised above will apply, with the necessary alterations, to class meetings.

INVESTMENT AND BORROWING POWERS

The Company may exercise in respect of each Fund the full authority and powers permitted by the Sourcebook for an investment company with variable capital belonging to the non-UCITS retail scheme type subject to its stated investment objective and policy and the restrictions stated in this Prospectus.

No Fund may invest in shares in another Fund of the Company.

Collective Investment Schemes

A Fund may invest up to 100% of its property in units in a collective investment scheme (a “**second scheme**”) which is either: (i) a UK UCITS scheme or a scheme that satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or (ii) a non-UCITS retail scheme; or (iii) a recognised scheme; or (iv) constituted outside the UK and the investment and borrowing powers of which are the same as, or more restrictive than, those of a non-UCITS retail scheme; or (v) a scheme not falling within (i) to (iv) above 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.

Any second scheme under (i) to (v) above must operate on the principle of a prudent spread of risk and must be prohibited from having more than 15% in value of the scheme property consisting of units or shares in collective investment schemes. Participants in the second scheme must be entitled to have their units in that scheme redeemed in accordance with the second scheme at a price related to the Net Asset Value of the property to which the units or shares relate and determined in accordance with the second scheme. Where the second scheme is an umbrella, the provisions of the Sourcebook apply to each sub-fund of the umbrella as if it were a separate scheme.

The collective investment schemes in which the Funds may invest may include schemes which are managed or operated by (or in the case of an open-ended investment company, have as its authorised corporate director) the ACD or an associate (as defined in the Sourcebook) of the ACD. Up to 100% of the property of the Funds may be invested in such schemes.

No Fund may invest in or dispose of units or shares in a second scheme which is managed or operated by (or in the case of an open-ended investment company, whose authorised corporate director is) the ACD or an associate of the ACD where there is a charge in respect of such investment or disposal, unless the ACD pays the following amounts into the property of the Fund before the close of business on the fourth Business Day next after the agreement to invest or dispose:

- on investment, either:
 - any amount by which the consideration paid by the Fund for units or shares in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units or shares been newly issued or sold by it; or

if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units or shares in the second scheme; and

- on disposal:

the amount of any charge made for the account of the authorised fund manager or operator of the second scheme or an associate of any of them in respect of the disposal.

Any addition to or deduction from the consideration paid on the acquisition or disposal of units or shares in the second scheme which is, or is like, a dilution adjustment made in accordance with the Sourcebook is to be treated as part of the price of the units or shares and not part of any charge.

Not more than 35% of the property of a Fund may consist of units of any one scheme.

Feeder Schemes

A Fund may invest in units in a feeder UK UCITS, a feeder non-UCITS retail scheme, a scheme dedicated to units in a single property authorised investment fund or a scheme dedicated to units in a recognised scheme (each a “**Feeder Scheme**”), if the master fund of the Feeder Scheme complies with the relevant provisions in the FCA Rules on the ability for UK UCITS and non-UCITS retail schemes, as applicable, to invest in collective investment schemes, as if it were the “second scheme”.

Not more than 35% of the property of a Fund may consist of units of one or more Feeder Schemes.

The Fund may not invest directly in units of the master fund of any Feeder Scheme it is invested in.

Spread – general

Up to 10% in value of the property of a Fund may consist of transferable securities or approved money-market instruments issued by any one issuer. This limit does not apply to certain government and public securities.

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

Spread - government and public securities

In respect of government and public securities issued by the following, no more than 35% in value of the property of a Fund will be invested in securities issued by any one body:

- (a) the UK or an EEA State;
- (b) a local authority of the UK or an EEA State;
- (c) a non-EEA State; or
- (d) a public international body to which the UK or one or more EEA States belong.

Subject to this restriction, there is no limit on the amount which may be invested in such government and public securities or in any one issue.

Transferable securities and approved money-market instruments

A Fund may invest in transferable securities and approved money-market instruments provided they are:

- admitted to or dealt in on a regulated market; or
- dealt in on a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or

- admitted to or dealt in on a market which the ACD and the Depositary determine to be appropriate, the market is included in the list of eligible markets in Appendix II and the Depositary has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market and all reasonable steps have been taken by the ACD in deciding whether that market is eligible; or
- for an approved money-market instrument not admitted to or dealt in on an eligible market where the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed in accordance with the Sourcebook; or
- recently issued transferable securities provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market and the admission is secured within a year of issue.

Subject to the investment policy of the Fund, there is no limit on the value of the property of the Fund which may consist of transferable securities and approved money-market instruments referred to above. A Fund may invest up to 20% of the value of its property in transferable securities and money-market instruments (provided these are liquid and have a value which can be determined at any time) other than those referred to above (when aggregated with investments in unregulated collective investment schemes as set out above).

Subject to the Sourcebook, not more than 10% in value of the property of a Fund is to consist of transferable securities (excluding government and public securities) or money-market instruments (including certificates representing certain securities) issued by any single body. This limit is raised to 25% in value of the property of a Fund in respect of covered bonds.

Underwriting

Subject to the provisions of the Sourcebook, including as to covering the exposure, a Fund's powers to invest in transferable securities may be used for the purpose of entering into underwriting, sub-underwriting and placing agreements in respect of certain transferable securities.

Warrants

Warrants or other instruments entitling the holder to subscribe for shares, debentures or government and public securities and any other transferable securities (not being nil or partly paid securities) which are akin thereto fall within any of a Fund's powers of investment only if, on the assumption that the right conferred by the warrant will be exercised (whether or not it is intended that it will be), it is reasonably foreseeable that the right to subscribe could be exercised without contravening the Sourcebook. Up to 10% of the value of the property of a Fund may consist of warrants.

Nil or partly paid securities

Transferable securities on which any sum is unpaid fall within any of a Fund's powers of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund, at the time when payment is required, without contravening the Sourcebook.

Cash and near cash

The ACD may at its discretion and as considered appropriate retain liquid funds in each Fund at any time. This cash will be held in pursuit of the Fund's objectives or to facilitate the redemption of shares, efficient management of the Fund in accordance with its objectives or any other purposes which may reasonably be regarded as ancillary to the objectives of the Fund. The ACD expects the liquid funds of a Fund to vary between 0 and 30% of the value of the property of the Fund at any one time. Liquidity may be higher under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the issue of shares or realisation of investments.

Cash forming part of the property of a Fund or standing to the credit of the distribution account may be placed in any current, deposit or loan account with the Depositary, the ACD or any associate of any of

them provided it is an eligible institution or approved bank and the arrangements are at least as favourable to the Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Immovable and movable property

No Fund will have any interest in any immovable property or movable property, save for an indirect interest through investment in collective investment schemes, transferable securities or permitted derivatives.

Gold

No Fund will have any direct interest in gold.

Borrowing

Subject to the Sourcebook, a Fund may borrow to meet redemption and settlement mismatches, although it is not expected that significant use will be made of borrowing. Such borrowing may only be made from an eligible institution or approved bank, must be on a temporary basis only and must not be persistent; no period of borrowing may exceed three months without the prior consent of the Depositary (which may only give such consent on conditions as appear to the Depositary appropriate to ensure that the borrowing does not cease to be on a temporary basis). Borrowing must not, on any Business Day, exceed 10% of the value of the property of a Fund. As well as applying to borrowing in a conventional manner, the 10% limit applies to any other arrangement designed to achieve a temporary injection of money into the property of the Fund, in the expectation that such will be repaid, for example by way of a combination of derivatives which produces an effect similar to borrowings.

Borrowings may be made from the Depositary, the ACD, the directors or any associate of any of them provided it is an eligible institution or approved bank and the arrangements are at least as favourable to the Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Derivatives and forward contracts

Subject to the Sourcebook and the provisions below the Funds may invest in derivatives or forward contracts. Transactions involving derivatives or forward contracts will be subject to the parameters set out below.

- (a) Pursuant to the Sourcebook the ACD may enter into a transaction for a Fund which is:
 - (i) a permitted transaction; and
 - (ii) fully covered in accordance with the Sourcebook.
- (b) Permitted transactions are derivatives transactions (i.e. options, futures or contracts for difference) and forward transactions. A derivatives transaction must be:
 - (i) in an approved derivative (i.e. one which is traded or dealt in on an eligible derivatives market (as set out in Appendix III)) and effected on or under the rules of an eligible derivatives market; or
 - (ii) one which complies with the provisions in the Sourcebook regarding "over-the-counter" derivatives, which requires:
 - (1) that the counterparty to the transaction must be an eligible institution; or an approved bank; or a person whose permission (including any requirements or limitations), as published in the FCA register or whose home state authorisation, permits it to enter into the transaction as principal off exchange;
 - (2) that the transaction is on approved terms, the terms of the transaction are only approved if the ACD:

- (i) carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction) and which does not rely only on market quotations by the counterparty; and
 - (ii) can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and
- (3) that the transaction is capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
 - (i) on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
 - (ii) if the value referred to in (i) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- (4) subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
 - (i) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or
 - (ii) a department within the ACD which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.
- (c) Eligible derivatives markets consist of any derivatives market which the ACD considers appropriate after consultation with the Depositary, subject to the Sourcebook. The eligible derivatives markets for the Funds as are set out in Appendix III.
- (d) A transaction in a derivative must not cause a Fund to diverge from its investment objectives stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- (e) A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by a Fund and the ACD reasonably believes that delivery of the property pursuant to the transaction will not lead to a breach of the Sourcebook.
- (f) No transaction may be entered into unless the maximum potential exposure created by the transaction, in terms of the principal or notional principal of the derivative is covered globally in accordance with the Sourcebook, by cash or near cash or other property (of the right kind) sufficient to match the exposure. A covered currency forward or a covered currency derivative may provide cover for a derivative, but, in general, a derivative or forward transaction is not available to provide cover for another derivative or forward transaction. Cash not yet received but due to be received within one month, cash obtained by borrowing, borrowings which the ACD reasonably regards an eligible institution to be committed to provide and "synthetic cash" are available for cover.
- (g) A Fund may not undertake transactions in commodity derivatives.

- (h) Derivatives and forward transactions may be used where they are reasonably believed by the ACD to be economically appropriate to the EPM of a Fund. The ACD considers that the use of derivatives for EPM is not likely to affect the volatility or risk profile of the Funds.
- (i) The purpose of EPM is to achieve reduction of risk and/or reduction of cost and/or the generation of additional capital or income with a risk level which is consistent with the risk profile of the relevant Fund and the risk diversification rules in the Sourcebook. The purpose must relate to the property of the relevant Fund, property (whether precisely identified or not) which is to be or is proposed to be acquired for the Fund and anticipated cash receipts of the Fund, if due to be received and likely to be so within one month.
- (j) To be economically appropriate to the EPM of a Fund, the ACD must reasonably believe that:
 - (i) for transactions undertaken to reduce risk or cost (or both), the transaction (alone or in combination) will diminish a risk or cost of a kind or level which it is sensible to reduce; or
 - (ii) where, for example, the ACD wishes to achieve a switch in exposure, he or she may do so, rather than through sale and purchase of property of the Fund, by use of derivatives (a technique commonly called "tactical asset allocation") if the transactions concerned reasonably appear to him or her to be economically appropriate to the EPM of the Fund and to diminish a risk or cost of a kind or level which it is sensible to reduce. Where the transaction relates to the actual or potential acquisition of transferable securities, then the ACD must intend that the Fund should invest in transferable securities within a reasonable time; and it must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.
- (k) Each Fund may utilise both exchange-traded and OTC derivatives, including futures, forwards, swaps and contracts for difference, for the purpose of EPM. Such derivatives and forward transactions will usually be exchange-traded. Each Fund may invest in derivatives and forward exchange contracts as long as the exposure to the Fund resulting from those transactions is suitably covered by its property. Exposure will include any initial outlay in respect of that transaction.
- (l) The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the property of a Fund. For the purpose of calculating the 10% limit, OTC derivative transactions with the same counterparty can be netted provided that certain conditions are met and the netting procedures are based on legally binding agreements. 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:
 - (i) is marked-to-market on a daily basis and exceeds the value of the amount at risk;
 - (ii) is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;
 - (iii) is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure by a related party; and
 - (iv) can be fully enforced by the Fund at any time.
- (m) Each Fund may invest in derivatives and forward contracts as long as the exposure to the Fund resulting from those transactions is suitably covered by its property. Exposure will include any initial outlay in respect of that transaction. The ACD considers that the risk profile of each Fund is not adversely affected by the use of derivatives. In summary, the use of derivatives for EPM is not likely to affect the volatility or risk profile of the Funds.
- (n) Transactions may only be entered into if the maximum potential exposure created by the transaction, in terms of the principal or notional principal of the derivative, does not exceed the Net Asset Value of the scheme property and their global exposure to the underlying assets does not exceed the investment limit laid down in the Sourcebook.

- (o) For the Generation Funds, derivatives may also be held pursuant to the investment objective. In particular the Funds will use options to generate additional income. The options will be written on indices which represent the underlying assets of the Funds, and will be consistent with their respective investment objectives.

The use of derivatives for the purposes of pursuing the investment objective of the Fund may affect the volatility or risk profile of the relevant Fund, although this is not the ACD's intention.

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

Operational costs and fees arising from EPM techniques and/or the use of derivatives are paid for by the relevant Fund. The identity of the entities to which operational costs and fees are paid will be disclosed in the annual report.

A Fund may receive cash, high quality government bonds and equities to the extent deemed necessary by the ACD in respect of over-the-counter derivative transactions for a Fund, provided however that such collateral must comply with the requirements of the FCA.

A documented haircut policy is in place for the Company detailing the policy in respect of each class of assets received and which takes into account the characteristics of the assets and the results of any stress tests conducted as required. Any re-investment of cash collateral shall be diversified in accordance with the requirements of the FCA. Re-invested cash collateral exposes the Company to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Investors should consult Appendix VIII – Risk Factors for information on counterparty risk and credit risk in this regard.

Leverage

Subject to the Borrowing section above, the Funds will only employ leverage to the extent such leverage results from the Fund's use of derivatives, forward foreign exchange contracts and/or other non-fully funded instruments or techniques. The use of leverage may significantly increase the investment/market and counterparty risk (the risk that a Fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the Fund) of the Fund through non-fully funded exposure to underlying markets or securities.

As a result the ACD is required to calculate and monitor the level of leverage of a Fund (which shall include a measure of the maximum potential loss to the Fund from the use of derivative instruments), expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/Net Asset Value), under both the gross method and the commitment method.

Under the gross method, the exposure of a Fund is calculated as follows:

- (a) include the sum of the absolute values of all assets held;
- (b) exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;
- (c) derivative instruments are converted into the equivalent position in their underlying assets;
- (d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- (e) include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and

- (f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the commitment method, the exposure of a Fund is calculated broadly in the same way as under the gross method; however, levels of exposure may take account of the effect of netting off instruments to reflect hedging or netting arrangements and differences may arise in the treatment of cash and cash equivalents.

The “Value at Risk (VaR) approach” is an estimate of the potential loss at a given confidence level, or probability, over a specific time period.

All Funds will employ the absolute VaR approach. The absolute VaR limit of a Fund has to be set at or below 20% of its Net Asset Value, based upon a one month holding period and a 99% confidence interval. The ACD believes this is the most appropriate measure applicable to each Fund.

The table below sets out the current maximum level of leverage for each Fund. The total amount of leverage employed by a Fund will be included in the annual report and accounts of the Company.

Fund	Maximum level of leverage as a percentage of Fund Net Asset Value	
	Gross method	Commitment method
Quilter Investors Creation Conservative Portfolio	200	200
Quilter Investors Creation Balanced Portfolio	200	200
Quilter Investors Creation Moderate Portfolio	200	200
Quilter Investors Creation Dynamic Portfolio	200	200
Quilter Investors Creation Adventurous Portfolio	200	200
Quilter Investors Generation CPI+ 3 Portfolio	300	300
Quilter Investors Generation CPI+ 4 Portfolio	300	300
Quilter Investors Generation CPI+ 5 Portfolio	300	300
Quilter Investors Monthly Income Portfolio	300	300
Quilter Investors Monthly Income and Growth Portfolio	300	300

Stock lending

The Funds have power to engage in stock lending in the manner permitted by, and subject to the requirements of, the Sourcebook. The power may be exercised for the purpose of EPM. There is no limitation on the value of the property of a Fund that may be the subject of permitted stock lending transactions. However, currently none of the Funds engage in stock lending and the ACD does not anticipate that any Fund will engage in stock lending in the future.

RISKS

Potential investors should consider the risk factors set out in Appendix VIII before investing in the Funds.

WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

Winding up the Company

The Company may be wound up under the provisions of the Sourcebook or as an unregistered company under Part V of the Insolvency Act 1986. Winding up under the Sourcebook is only permitted with the approval of the FCA and if a statement has been lodged with the FCA by the ACD confirming that the Company will be able to meet all its liabilities within twelve months of the date of the statement (a “**solvency statement**”).

Subject to the foregoing, the Company will be wound up under the Sourcebook:

- if an extraordinary resolution to that effect is passed; or
- if the FCA agrees to a request by the ACD for the winding up of the Company.
- on the effective date of a duly approved scheme of arrangement which is to result in the Scheme ceasing to hold any scheme property; or
- in the case of a Fund on the effective date of a duly approved scheme of arrangement which is to result in the Fund ceasing to hold any scheme property; or
- on the date when all the Funds fall within 27.1.4 above or have otherwise ceased to hold any scheme property, notwithstanding the Scheme may have assets and liabilities that are not attributable to any particular Fund.

Winding up under the Sourcebook is carried out by the ACD, which will, as soon as practicable, cause the property of the Company attributable to each Fund to be realised and the liabilities of the Company attributable to that Fund to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of winding up and the discharge of the liabilities of the Company, the ACD may arrange for the Depositary to make one or more interim distribution(s) to be made to shareholders: when all liabilities have been met, the balance (net of a provision for any further expenses of the Company) will be distributed to shareholders. The distributions out of each Fund will be made to the holders of each class of shares in that Fund, in proportion to the relative entitlements in the property of that Fund which their shares represent (determined in accordance with the Instrument of Incorporation).

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

Termination of a Fund

A Fund may be terminated with the approval of the FCA, if a solvency statement is lodged with the FCA in respect of the liabilities of the Company relating to the Fund or an extraordinary resolution to that effect has been passed by a class meeting(s) of the holders of shares of the Fund.

In accordance with the Sourcebook, termination can only commence once the proposed alterations to the Instrument of Incorporation and Prospectus have been notified to the FCA in writing and permitted to take effect on termination. In accordance with the Sourcebook, as soon as practicable after termination has commenced, the ACD shall cause the property of a Fund to be realised and the liabilities of the Fund to be paid out of the proceeds of realisation. Where sufficient liquid proceeds are available (after making provision for the expenses of the termination and the discharge of the Fund’s remaining liabilities), the ACD may (but is not obliged to) arrange for the Depositary to make one or more interim distributions to shareholders in proportion to their respective shares of such proceeds. On or before the final date on which the final accounts of the Fund are sent to shareholders, the ACD shall arrange for the Depositary to make a final distribution to shareholders. Shareholders should be aware that the process of termination may take some months depending on the nature of the assets and liabilities held within the Fund and that they may not receive a full distribution of their share of the property of the Fund until this process is complete.

The ACD may make a request for the termination of a Fund, among other circumstances, if at any time after the first anniversary of the issue of the first shares in the Fund the net value of the assets of the Company attributable to the Fund is less than £10,000,000.

CLIENT MONEY

In certain circumstances (including in relation to the purchase and redemption of shares), money in respect of shares will be transferred to a client money bank account with an approved bank that the ACD may from time to time select until such transactions can be completed. Money transferred to a client money account will be held in accordance with that part of the FCA Rules which deals with holding client money (the “**Client Money Rules**”). The purpose of utilising client money accounts is to protect shareholders should the ACD become insolvent during such a period. No interest will be paid or, in the event that interest rates fall below zero, charged on money held in these client money bank accounts.

Client money may be held with an approved bank outside the UK. In such case, the relevant accounts will be subject to the laws of that state and the client money may be treated in a different manner from that which would apply if the client money were held by a party located in the UK.

Where client money is deposited into an account with an approved bank, the approved bank may have a security interest or lien over, or right of set-off in relation to such money, to the extent the ACD is permitted to grant such rights by the Client Money Rules).

The ACD may hold client money in an omnibus account which means that shareholder’s money may be held in the same account as that of other shareholders. In an insolvency event shareholders would not have a claim against a specific amount in a specific account. Shareholders would claim against the client money pool in general. Pooled property in omnibus accounts held by the ACD may be used for the account of any of the relevant shareholders.

The ACD will not be responsible for any loss or damages suffered by shareholders because of any error or action taken or not taken by any third parties holding client money in accordance with the Client Money Rules, unless the loss arises because the ACD has been negligent or acted fraudulently or in bad faith. Should the approved bank, or banks, holding the client money bank account become insolvent, the ACD will attempt to recoup the money on behalf of shareholders. However, if the approved bank or banks cannot repay all the persons to whom it owes money, any shortfall may have to be shared proportionally between all its creditors including shareholders.

Transfer of business

Except in respect of de minimis sums transferred in accordance with the Client Money Rules (where shareholder consent is not required), shareholders agree that the ACD may transfer to another person, as part of a transfer of business to that person, client money balances, provided that:

- (a) The sums transferred will be held for the relevant shareholder by the person to whom they are transferred in accordance with the Client Money Rules; or
- (b) If not held in accordance with (a), the ACD will exercise all due skill, care and diligence in assessing whether the person to whom the client money is transferred will apply adequate measures to protect these sums.

For the purpose of this section, de minimis shall mean £25 for retail investors and £100 for all other investors.

Unclaimed balances

In certain circumstances, if the ACD has lost touch with a shareholder and there has been no movement on the account (notwithstanding any payments or receipts of charges, interest or similar items), the ACD will be permitted to pay the shareholder’s client money balance to charity after six years. At this point, the ACD shall cease to treat such money as client money. The ACD will not do so until reasonable efforts have been made to contact the shareholder in accordance with the Client Money Rules. The shareholder will still be entitled to recover this money from the ACD at a later date irrespective of whether the ACD has paid the money to charity.

Delivery versus payment exemption

When an Applicant applies for shares in a Fund there is a window of time between the ACD receiving subscription money from the Applicant and the ACD transferring the subscription money to the Depositary to be used to settle the creation of the Applicant's shares. If the ACD transfers the subscription money to the Depositary by the close of business on the Business Day following receipt, the ACD is permitted to use an exemption to the Client Money Rules which means that the ACD is not required to ensure that money is protected in a ring-fenced bank account. If the ACD transfers the subscription money to the Depositary outside of this window then the ACD is required to protect the money in a ring-fenced bank account in accordance with the Client Money Rules.

Similarly, when a shareholder makes a redemption request for shares in a Fund there is a window of time between the ACD receiving redemption money from the Depositary and the ACD transferring the redemption money to the shareholder. If the ACD transfers the redemption money to the shareholder by the close of business on the Business Day following receipt, the ACD is permitted to use an exemption to the Client Money Rules which means that the ACD is not required to ensure money is protected in a ring-fenced bank account. If the ACD transfers the redemption money to a shareholder outside of this window then the ACD is required to protect the money in a ring-fenced bank account in accordance with the Client Money Rules until such time as it is paid to the shareholder.

Money which is not held as client money will not be protected in the insolvency of the ACD and no interest is payable to Applicants or shareholders. By agreeing to subscribe for shares in a Fund, shareholders consent to the ACD operating the delivery versus payment exemption on subscriptions and redemptions as explained above.

OTHER INFORMATION

Typical investor profile

The ACD considers that the Funds are suitable for investors who see collective investment schemes as a convenient and cost-effective way of participating in a range of asset classes across a risk spectrum, including cash, money-market instruments, fixed interest securities, property and equities.

Each Fund has its own investment objective and risk profile. Therefore, although the Funds are available to all retail investors, each Fund's suitability for an investor will depend on that investor's own requirements and their attitude to risk. Investors should be aware of and understand the risks associated with a particular Fund before investing.

As the investment may occasionally experience periods of price volatility, the Funds would be more suitable for investors who can afford to set aside the invested capital for a minimum period of 5 years. The ACD recommends that investors seek suitable advice from an authorised independent intermediary before investing.

Delegation

The ACD and, subject to exceptions specified in the Sourcebook and the AIFM Rules, the Depositary may retain (or arrange for the Company to retain) the services of other persons to assist them in the performance of their respective functions. Save as expressly stated in this Prospectus, no other functions have been delegated.

Conflicts of interest

The Depositary, the ACD, the Administrator, the Registrar, the Auditor (the "**Service Providers**") or any associate of them may (subject to the Sourcebook) hold money on deposit from, lend money to, or engage in stock lending transactions in relation to, the Company, so long as the services concerned are provided on arm's length terms (as set out in the Sourcebook) and in the case of holding money on deposit or lending money the Service Provider is an eligible institution or approved bank.

The Service Providers or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company provided the applicable provisions of the Sourcebook apply and are observed.

Subject to compliance with the Sourcebook, where relevant, the Service Providers may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested.

The Service Providers or any associate of any of them will not be liable to account to the Company or any other person, including the holders of shares or any of them, for any profit or benefit made or derived from or in connection with:

- (a) their acting as agent for the Company in the sale or purchase of property to or from the Funds;
- (b) their part in any transaction or the supply of services permitted by the Sourcebook; or
- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

The ACD's conflicts of interest policy is available on request from the ACD.

Liability and indemnity

With the exceptions mentioned below:

- the ACD, the Depositary and the Auditor are each entitled under the Instrument of Incorporation of the Company to be indemnified against any loss, damage or liability incurred by them in or about the execution of their respective powers and duties in relation to the Company; and
- the ACD and the Depositary are, under the terms of their respective agreements with the Company, exempted from any liability for any loss or damage suffered by the Company.

The above provisions will not, however, apply in the case of:

- any liability which would otherwise attach to the ACD or the Auditor in respect of any negligence, default, breach of duty or breach of trust in relation to the Company;
- any liability on the part of the Depositary for any failure to exercise due care and diligence in the discharge of its functions;
- any breach by the ACD or the Depositary of their respective obligations under the Financial Services and Markets Act 2000 or any rules made under or in pursuance of that Act.

Fair treatment, rebate of fees and commission

All shareholders have the rights specified in this Prospectus and the Instrument of Incorporation. The ACD shall at all times ensure it has procedures, arrangements and policies in place to ensure compliance with the principles of fair treatment of shareholders.

Subject to the FCA Handbook of Rules and Guidance, the ACD may at its sole discretion rebate its initial or annual management charges in respect of any application for, or holding of, shares. Similarly the Company may rebate or waive its charges in relation to any exchange of shares. A proportion of the initial charge may be rebated to the introducer (the investor's financial intermediary) in the form of commission payment. The investor should check with the intermediary the amount of commission he or she has received.

Rebates are only likely to be paid in respect of investors who in the ACD's reasonable opinion are able to subscribe an amount in excess of the investment minimum and who have agreed specific terms of business with the ACD. Rebates may be paid to investors which are associates of the ACD.

Changes to the Company, Fund or a share class

Where any changes are proposed to be made to the Company, a Fund or a share class, the ACD will assess how the change is to be treated in accordance with Sourcebook. Depending on the type of change, the ACD may need to obtain shareholder approval prior to making such change.

Legal implications of the contractual relationship

Investors in the Company will become shareholders in an investment company with variable capital incorporated in England and Wales, with the rights, duties and obligations set out in this Prospectus, the Instrument of Incorporation, the OEIC Regulations and the Sourcebook.

The process of buying and redeeming shares is set out in this Prospectus. A shareholder can buy shares by sending a completed application form to the ACD and for lump sum and irregular investments; the shareholder will receive a contract note giving details of the shares purchased. Shares purchased through regular investment will be included in the periodic report sent six monthly to investors. These documents comprise the investment contract between the shareholder and the Company.

Professional liability risk

In accordance with the requirements of the AIFM Rules, the ACD covers its potential liability risks arising from professional negligence by holding the appropriate additional own funds within the meaning of Article 14 of the Commission Delegated Regulation (EU) No 231/2013 as it applies in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11 pm on 31 December 2020.

Policies

The ACD's policies regarding best execution and the use of dealing commission are available on request from the ACD.

General

Unless otherwise expressly provided, terms used in this Prospectus have the meanings used in the Sourcebook.

Any complaint should be referred to the Complaints Team at the Registrar's office at P.O. Box 10278, Chelmsford, CM99 2AR. If a complaint cannot be resolved satisfactorily with the Company it may be referred to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR. Further details of the ACD's complaints handling policy are available on request.

All deals in shares are governed by English law and any dispute (whether contractual or non-contractual in nature) arising is subject to the exclusive jurisdiction of the English courts. If a shareholder were to bring a claim against the Company, it would be necessary for the shareholder to bring proceedings in the English courts. All communications with a shareholder or prospective shareholder shall be made in English.

Shareholders may be entitled to compensation from the Financial Services Compensation Scheme if the Company cannot meet its obligations. This depends on the type of business and circumstances of the claim. In respect of most types of investment business the first £85,000 is protected in full.

Further information about compensation arrangements is available from the Financial Services Compensation Scheme website www.fscs.org.uk.

All documents and remittances are sent at the risk of the shareholder.

A notice of an Applicant's right to cancel the agreement to purchase shares will be forwarded, where this is required by rules made under the Financial Services and Markets Act 2000.

An Applicant who is entitled to cancel and does so will not get a full refund of the money paid by him or her if the purchase price of the shares falls before the cancellation notice is received by the Registrar (on behalf of the ACD), because an amount equal to such fall (the “**shortfall**”) will be deducted from the refund he or she would otherwise receive. Where the purchase price has not yet been paid the Applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the Registrar (on behalf of the ACD) to its office at P.O. Box 10278, Chelmsford, CM99 2AR on or before the 30th day after the date on which the Applicant receives the notice of the right to cancel.

The address for service on the Company of notices or other documents required or authorised to be served on it is Senator House, 85 Queen Victoria Street, London EC4V 4AB.

The Company will serve any notice or document on shareholders by sending them by first class post to the name and address on the register and in the case of joint shareholders, to the first mentioned on the register.

Copies of this Prospectus and the Instrument of Incorporation may be inspected at, and obtained from, the ACD at Senator House, 85 Queen Victoria Street, London EC4V 4AB during ordinary office hours. The ACD will also provide upon request, copies of the service agreement between the ACD and the Company.

Upon written request the ACD will provide further information relating to:

- the quantitative limits applying to the risk management of each Fund;
- the methods used in relation to the risk management of each Fund; and
- any recent developments of the risk and yields of the main categories of each Fund’s investments.

The ACD will execute purchases, sales and switches of shares in the Company. The ACD will also execute purchases and sales of underlying investments in accordance with its execution policy. A copy of the execution policy is available on request or at www.quilterinvestors.com.

Details of the ACD’s voting policy in relation to underlying investments, along with records of voting, are available on request from the ACD.

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any fundamental or significant change in the matters stated herein or other change notifiable in accordance with the Sourcebook or any materially significant new matter arising which ought to be stated herein this Prospectus will be revised. Investors should check with the ACD that this is the latest version and that there have been no revisions or updates.

*Issued by Quilter Investors Limited, authorised and regulated by
the Financial Conduct Authority.*

*Telephone calls may be recorded for security or regulatory purposes and may be monitored under
Quilter’s quality control procedures.*

APPENDIX I

Table of Charges and Investment Amounts for Funds

A (GBP) Income Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	1.35%	1.35%	1.35%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	1.40%	1.40%
Minimum initial investment	£1,000	£1,000	£1,000	£1,000	£1,000
Minimum subsequent investment	£500	£500	£500	£500	£500
Minimum withdrawal amount	£500	£500	£500	£500	£500
Minimum holding requirement	£500	£500	£500	£500	£500
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

A (GBP) Accumulation Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	1.35%	1.35%	1.35%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	1.40%	1.40%
Minimum initial investment	£1,000	£1,000	£1,000	£1,000	£1,000
Minimum subsequent investment	£500	£500	£500	£500	£500
Minimum withdrawal amount	£500	£500	£500	£500	£500
Minimum holding requirement	£500	£500	£500	£500	£500
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

A (GBP) Accumulation Shares – Creation Funds

Fund	Quilter Investors Creation Conservative Portfolio	Quilter Investors Creation Balanced Portfolio	Quilter Investors Creation Moderate Portfolio	Quilter Investors Creation Dynamic Portfolio	Quilter Investors Creation Adventurous Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	N/A	N/A	N/A	N/A	N/A
Fixed ongoing charge	1.85%	1.85%	1.85%	1.85%	1.85%
Minimum initial investment	£1,000	£1,000	£1,000	£1,000	£1,000
Minimum subsequent investment	£1,000	£1,000	£1,000	£1,000	£1,000
Minimum withdrawal amount	£1,000	£1,000	£1,000	£1,000	£1,000
Minimum holding requirement	£1,000	£1,000	£1,000	£1,000	£1,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

R (GBP) Income Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	0.60%	0.60%	0.60%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	1.00%	1.00%
Minimum initial investment	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Minimum subsequent investment	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum withdrawal amount	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum holding requirement	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

R (GBP) Accumulation Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	0.60%	0.60%	0.60%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	1.00%	1.00%
Minimum initial investment	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Minimum subsequent investment	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum withdrawal amount	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum holding requirement	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

R (GBP) Accumulation Shares – Creation Funds

Fund	Quilter Investors Creation Conservative Portfolio	Quilter Investors Creation Balanced Portfolio	Quilter Investors Creation Moderate Portfolio	Quilter Investors Creation Dynamic Portfolio	Quilter Investors Creation Adventurous Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	N/A	N/A	N/A	N/A	N/A
Fixed ongoing charge	1.10%	1.10%	1.10%	1.10%	1.10%
Minimum initial investment	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Minimum subsequent investment	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum withdrawal amount	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000
Minimum holding requirement	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

U1 (GBP) Income Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	0.55%	0.55%	0.55%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	0.85%	0.85%
Minimum initial investment	£100,000,000	£100,000,000	£100,000,000	£100,000,000	£100,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000	£500,000	£500,000
Minimum holding requirement	£50,000,000	£50,000,000	£50,000,000	£50,000,000	£50,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

U1 (GBP) Accumulation Shares – Generation Funds and Monthly Income Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	0.55%	0.55%	0.55%	N/A	N/A
Fixed ongoing charge	N/A	N/A	N/A	0.85%	0.85%
Minimum initial investment	£100,000,000	£100,000,000	£100,000,000	£100,000,000	£100,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000	£500,000	£500,000
Minimum holding requirement	£50,000,000	£50,000,000	£50,000,000	£50,000,000	£50,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

U1 (GBP) Accumulation Shares – Creation Funds

Fund	Quilter Investors Creation Conservative Portfolio	Quilter Investors Creation Balanced Portfolio	Quilter Investors Creation Moderate Portfolio	Quilter Investors Creation Dynamic Portfolio	Quilter Investors Creation Adventurous Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	N/A	N/A	N/A	N/A	N/A
Fixed ongoing charge	0.95%	0.95%	0.95%	0.95%	0.95%
Minimum initial investment	£100,000,000	£100,000,000	£100,000,000	£100,000,000	£100,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000	£500,000	£500,000
Minimum holding requirement	£50,000,000	£50,000,000	£50,000,000	£50,000,000	£50,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

U2 (GBP) Income Shares – Generation Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio
Initial charge	5.00%	5.00%	5.00%
Annual management charge	0.50%	0.50%	0.50%
Minimum initial investment	£250,000,000	£250,000,000	£250,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000
Minimum holding requirement	£125,000,000	£125,000,000	£125,000,000
Switching Fee	0%	0%	0%
Exit charge	0%	0%	0%

U2 (GBP) Accumulation Shares – Generation Funds

Fund	Quilter Investors Generation CPI+ 3 Portfolio	Quilter Investors Generation CPI+ 4 Portfolio	Quilter Investors Generation CPI+ 5 Portfolio
Initial charge	5.00%	5.00%	5.00%
Annual management charge	0.50%	0.50%	0.50%
Minimum initial investment	£250,000,000	£250,000,000	£250,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000
Minimum holding requirement	£125,000,000	£125,000,000	£125,000,000
Switching Fee	0%	0%	0%
Exit charge	0%	0%	0%

U2 (GBP) Accumulation Shares – Creation Funds

Fund	Quilter Investors Creation Conservative Portfolio	Quilter Investors Creation Balanced Portfolio	Quilter Investors Creation Moderate Portfolio	Quilter Investors Creation Dynamic Portfolio	Quilter Investors Creation Adventurous Portfolio
Initial charge	5.00%	5.00%	5.00%	5.00%	5.00%
Annual management charge	N/A	N/A	N/A	N/A	N/A
Fixed ongoing charge	0.95%	0.95%	0.95%	0.95%	0.95%
Minimum initial investment	£250,000,000	£250,000,000	£250,000,000	£250,000,000	£250,000,000
Minimum subsequent investment	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000	£500,000	£500,000	£500,000
Minimum holding requirement	£125,000,000	£125,000,000	£125,000,000	£125,000,000	£125,000,000
Switching Fee	0%	0%	0%	0%	0%
Exit charge	0%	0%	0%	0%	0%

F (GBP) Income Shares* – Monthly Income Funds

Fund	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%
Annual management charge	N/A	N/A
Fixed ongoing charge	0.60%	0.60%
Minimum initial investment	£100,000,000	£100,000,000
Minimum subsequent investment	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000
Minimum holding requirement	£50,000,000	£50,000,000
Switching Fee	0%	0%
Exit charge	0%	0%

* F (GBP) Income Shares will only be available to new investors until 30 April 2021 (the “Cut-Off Date”). After the Cut-Off Date the share class will be closed to new investment, however subsequent investments by shareholders already holding F (GBP) Income shares as at the Cut-Off Date and who meet the eligibility criteria will continue to be permitted.

F (GBP) Accumulation Shares – Monthly Income Funds

Fund	Quilter Investors Monthly Income Portfolio	Quilter Investors Monthly Income and Growth Portfolio
Initial charge	5.00%	5.00%
Annual management charge	N/A	N/A
Fixed ongoing charge	0.60%	0.60%
Minimum initial investment	£100,000,000	£100,000,000
Minimum subsequent investment	£1,000,000	£1,000,000
Minimum withdrawal amount	£500,000	£500,000
Minimum holding requirement	£50,000,000	£50,000,000
Switching Fee	0%	0%
Exit charge	0%	0%

* F (GBP) Accumulation Shares will only be available to new investors until 30 April 2021 (the “Cut-Off Date”). After the Cut-Off Date the share class will be closed to new investment, however subsequent investments by shareholders already holding F (GBP) Accumulation shares as at the Cut-Off Date and who meet the eligibility criteria will continue to be permitted.

APPENDIX II

Eligible Securities Markets

Eligible securities markets consist of:

- (a) a regulated market, as defined in the Sourcebook;
- (b) a market in the UK or in an EEA State which is regulated, operates regularly and is open to the public; or
- (c) the securities markets listed below.

Australian Stock Exchange (ASX), Montreal Exchange, Toronto Stock Exchange, TSX Venture Exchange, Hong Kong Exchanges, Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, Hercules Standard Exchange, Sapporo Stock Exchange, JASDAQ OTC, Mexican Stock Exchange, The Singapore Exchange, JSE Limited, SIX Swiss Exchange, International Securities Market Association, The Stock Exchange of Thailand (SET), New York Stock Exchange, NYSE American, Chicago Stock Exchange, NASDAQ, NASDAQ OMX BX, NASDAQ OMX PHLX, National Stock Exchange (NSX) and Istanbul Stock Exchange.

APPENDIX III

Eligible Derivatives Markets

Subject to its investment objectives and policy, the Company may deal through derivatives markets established in the UK or in Member States of the European Union on which transferable derivatives admitted to official listing in the Member State are dealt in or traded.

Set out below are the additional derivatives markets through which the Company may invest or deal for the account of each Fund (subject to the investment objectives and policies of each Fund) when dealing in approved derivatives.

Australian Securities Exchange (ASX), Chicago Board Options Exchange, CME Group Exchanges, Hong Kong Exchanges, JSE Limited, Korea Stock Exchange, EURONEXT LIFFE Administration and Management London International Financial Futures and Options Exchange, Montreal Exchange, New York Futures Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, Osaka Securities Exchange, Pacific Stock Exchange, Philadelphia Board of Trade, NASDAQ OMX PHLX, The Singapore Exchange, South Africa Futures Exchange (SAFEX), Tokyo Stock Exchange, Toronto Futures Exchange and Toronto Stock Exchange.

APPENDIX IV

Past Performance Information

For the following Funds, the performance charts have been calculated on a bid to bid basis in Sterling, with income reinvested. The source of data is Morningstar.

The table shows the performance for all Funds to 31 December 2019.

Past performance data relates to the share class referred to in the left hand column below which has been selected as a representative share class in accordance with industry guidance. The performance figures for other share classes in each Fund will be different. Please consult the KIID for the relevant share class for more detail.

Please note that past performance is not an indication of future performance.

Name	Percentage Growth 1yr 01/01/2019 to 31/12/2019	Percentage Growth 1yr 01/01/2018 to 31/12/2018	Percentage Growth 1yr 01/01/2017 to 31/12/2017	Percentage Growth 1yr 01/01/2016 to 31/12/2016	Percentage Growth 1yr 01/01/2015 to 31/12/2015
Quilter Investors Creation Conservative Portfolio R (GBP) Accumulation Shares	9.08	-5.57	5.11	7.09	0.27
Quilter Investors Creation Balanced Portfolio R (GBP) Accumulation Shares	12.67	-7.42	6.36	7.83	-0.93
Quilter Investors Creation Moderate Portfolio R (GBP) Accumulation Shares	16.11	-9.20	8.24	8.74	0.12
Quilter Investors Creation Dynamic Portfolio R (GBP) Accumulation Shares	20.08	-10.82	9.76	9.48	-0.46
Quilter Investors Creation Adventurous Portfolio R (GBP) Accumulation Shares	21.52	-11.60	-	-	-
Quilter Investors Generation CPI+ 3 Portfolio R (GBP) Income Shares	8.36	-6.04	4.56	7.05	-2.48

<i>Target benchmark: UK Consumer Price Index (CPI) +3%</i>	4.32	5.10	5.96	4.56	3.20
Quilter Investors Generation CPI+ 4 Portfolio R (GBP) Income Shares	9.11	-7.41	5.64	6.20	-0.66
<i>Target benchmark: UK Consumer Price Index (CPI) +4%</i>	5.32	6.10	6.96	5.56	4.20
Quilter Investors Generation CPI+ 5 Portfolio R (GBP) Accumulation Shares	12.44	-8.43	6.54	9.06	-
<i>Target benchmark: UK Consumer Price Index (CPI) +5%</i>	6.32	7.10	7.95	6.56	-

Note: Where it is stated that no data exists, the Fund does not have a full trading history for the period. No past performance information is available for Quilter Investors Monthly Income Portfolio and Quilter Investors Monthly Income and Growth Portfolio, as these Funds launched on 26 June 2019.

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APPENDIX V

Other Schemes managed by the ACD

The ACD acts as authorised corporate director of the following open-ended investment companies:

Quilter Investors Balanced OEIC

Quilter Investors Cirilium OEIC

Quilter Investors OEIC

Quilter Investors Portfolio OEIC

Quilter Investors Series I

Quilter Investors Series II

The ACD also acts as manager of the following authorised unit trusts:

Quilter Investors Charity Authorised Investment Funds

Quilter Investors Trust

APPENDIX VI

Administration Costs

Fund	Flat Expense Rate
Quilter Investors Generation CPI+ 3 Portfolio	0.15%
Quilter Investors Generation CPI+ 4 Portfolio	0.15%
Quilter Investors Generation CPI+ 5 Portfolio	0.15%

Where the Net Asset Value of the Generation Funds in aggregate exceeds £1.5bn, the flat expense rate will be reduced by 0.05%.

APPENDIX VII

List of Delegates and Sub-Delegates

Depositary's delegate	
Citibank N.A.	
Depositary's sub-delegates	
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc Dublin
Belgium (LUX)	Citibank Europe plc, UK Branch
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc Bulgaria Branch
Canada	Citibank Canada
Chile	Banco de Chile
China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Croatia	Privedna banka Zagreb d.d.
Cyprus	Citibank Europe plc, Greece branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Nordea Danmark, filial af Nordea Bank AB (publ), Sverige
Egypt	Citibank, N.A., Cairo Branch
Estonia	Swedbank AS
Finland	Nordea Bank AB (publ), Finnish Branch
France	Citibank Europe plc UK branch
Germany	Citigroup global markets deutschland ag
Greece	Citibank Europe plc, Greece Branch
Hong Kong	Citibank NA Hong Kong
Hungary	Citibank Europe plc Hungarian Branch Office
Iceland	Citibank is a direct member of Clearstream Banking, which is an ICSD

India	Citibank NA Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank NA London Branch
Israel	Citibank, N.A., Israel Branch
Italy	Citibank, N.A., Milan Branch
Japan	Citibank Japan limited
Korea (South)	Citibank Korea Inc.
Latvia	Swedbank AS acting through its agent Swedbank AS
Lithuania	Swedbank AS acting through its agent Swedbank AS
Malaysia	Citibank Berhad
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD
Mexico	Banco Nacional de Mexico, S.A.
Morocco	Citibank Maghreb
Netherlands	Citibank Europe plc, UK Branch
New Zealand	Citibank, N.A., New Zealand Branch
Norway	DNB Bank ASA
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Manila Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc, sucursal em Portugal
Romania	Citibank Europe plc, Dublin - Romania Branch
Russia	AO Citibank
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank NA South Africa branch
Spain	Citibank Europe plc, Sucursal en Espana

Sri Lanka	Citibank NA Colombo Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank NA London branch
Taiwan	Citibank Taiwan Limited
Thailand	Citibank, N.A. Bangkok Branch
Turkey	Citibank, A.S.
United Arab Emirates ADX & DFM	Citibank NA UAE
United Arab Emirates NASDAQ Dubai	Citibank NA UAE
United Kingdom	Citibank NA London branch
USA	Citibank NA New York offices

APPENDIX VIII

Risk Factors

The following are important warnings:

General

Investors should appreciate that there are inherent risks in all types of investments. Stock market prices can move erratically and be unpredictably affected by many diverse factors, including political and economic events but also rumours and sentiment. Investment in a Fund should be regarded as a long term investment. There can be no guarantee that the objectives of a Fund will be achieved.

The capital value and the income from shares in a Fund can fluctuate and the price of shares and the income from them can go down as well as up and are not guaranteed. On encashment, particularly in the short term, investors may receive less than the original amount invested.

Brexit

On 31 January 2020, the UK formally withdrew from the EU and entered into a transition period which ended at 11 pm on 31 December 2020. An EU–UK Trade and Cooperation Agreement (the “TCA”) was concluded on 30 December 2020. However, the TCA awaits ratification by the European Parliament and the Council of the European Union in 2021. The impact of these events and the outcomes of the negotiations between the EU and the UK on the Funds is difficult to predict, but the process to implement the political, economic and regulatory framework between the UK and the EU may have a detrimental impact on a Fund’s ability to fulfil its investment objective or on the value of a Fund’s assets, and may increase a Fund’s costs.

Cancellation rights

Where cancellation rights are applicable, if shareholders choose to exercise their cancellation rights and the value of their investment falls before notice of cancellation is received by the ACD in writing, a full refund of the original investment may not be provided, but rather the original investment less the fall in value.

Charges to capital

Where we take expenses from the capital of the fund, rather than the income, then the income available for distribution to investors will increase by the amount charged, but the capital of the fund will be reduced by the same amount. For funds where we take expenses from the income, if the fund has not generated enough income, the balance may have to come from the capital of the fund. This may result in capital erosion or constrain capital growth.

Counterparty risk

The Funds will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. In particular, investors should be aware that the use of contracts for difference or other OTC derivatives expose the relevant Fund to credit risk. The risk is that the provider of the contracts for difference becomes insolvent while it owes money to the Fund.

Currency exchange rates

Investments may be made in assets denominated in various currencies and the movement of exchange rates may have a separate effect, unfavourable as well as favourable, on the gains and losses otherwise experienced on such investments.

Derivatives and volatility

The Sourcebook permits the ACD to use certain techniques when investing in derivatives in order to manage a Fund's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure to OTC derivatives; for example a Fund may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The Sourcebook also permits a Fund to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in the scheme) under certain conditions. Derivatives will be used in the Funds for the purposes of investment. Where the ACD invests in derivatives and forward transactions in the pursuit of a Fund's objectives, the Net Asset Value of that Fund may at times be volatile (in the absence of compensating investment techniques). It is not the ACD's intention that the use of derivatives and forward transactions in the pursuit of a Fund's objective will cause its risk profile to change, (but see Leverage below).

Derivatives for hedging exposure

For each Fund, derivatives may be used to hedge against various risks as permitted by the OEIC Regulations and the Sourcebook. The use of derivatives for hedging in a rising market may restrict potential gains.

Effect of initial charge

The ACD's initial charge is deducted from an investment at the outset and an equivalent rise in the value of the shares is required before the original investment can be recovered.

Emerging Markets

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets.

The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets.

The following is a brief summary of some of the more common risks associated with emerging markets investment:

Lack of Liquidity - The accumulation and disposal of holdings may be more expensive, time consuming and generally more difficult than in more developed markets. Also, due to the lack of liquidity, volatility may be higher. Many emerging markets are small, have low trading volumes, low liquidity and significant price volatility.

Currency Fluctuations - Significant changes in the currencies of the countries in which investments are made in respect of the currency of denomination of the relevant Fund may occur following the investment of the Company in these currencies. These changes may impact the total return of the Fund to a significant degree. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques.

Settlement and Custody Risks - Settlement and custody systems in emerging markets are not as well developed as those in developed markets. Standards may not be as high and supervisory and regulatory authorities not as sophisticated. As a result there may be risks that settlement may be delayed and that cash or securities could be disadvantaged.

Investment and Remittance Restrictions - In some cases, emerging markets may restrict the access of foreign investors to securities. As a result, certain equity securities may not always be available to a Fund because the maximum permitted number of or investment by foreign Shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval. The Company will only invest in

markets in which it believes these restrictions to be acceptable. However, there can be no guarantee that additional restrictions will not be imposed.

Accounting - Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to companies in emerging markets differ from those applicable in more developed markets in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to properly assess.

Equities Risk

Where investments are in the shares of companies (equities), the value of those equities and the ability to pay out dividends may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events.

Exchange traded funds

Investors should note that the Funds may invest in exchange traded funds. Exchange traded funds represent a basket of securities that are traded on an exchange and may not necessarily trade at the Net Asset Value of their underlying holdings. As a result, they may trade at a price that is above or below the value of the underlying portfolio.

Fixed interest securities

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall and vice versa. The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent. The value of investments will fall in the event of the default or perceived increased credit risk of an issuer.

Fraud

It is possible that companies in which investments are made may be found to be conducting fraudulent activities. As a result, it is possible that losses may be suffered.

Futures, options and forward transactions risk

A Fund may use options, futures and forward contracts on currencies, securities, indices, currency, 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.

Inflation

A rising rate of inflation will have the effect of reducing the relative value of any gain by an equivalent amount.

Investing in other collective investment schemes

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

Investment objective risk and Income (for Generation Funds)

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macroeconomic 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. Whilst all the Generation Funds aim to provide a return of income and capital in excess of the UK rate of inflation, this is not guaranteed.

Leverage

The Funds may employ leverage as part of its investment strategy. As a result profits and losses incurred by the Fund can be greater than those of a similar fund that does not use leverage

Liquidity

Each Fund may also invest in underlying collective investment schemes that may not offer liquidity on a daily basis. This may affect the ability of shareholders to realise their investment when they choose and under certain circumstances the ACD has the ability to defer redemptions (see "Purchase, Redemption and Switching of Shares").

Lower diversification (spread of risk)

Some funds may have a portfolio of assets which is concentrated in individual countries, companies or market sectors. If one of these factors underperformed, it would have a greater effect than would be the case in a more diversified portfolio where the risk is more widely spread.

Non-UCITS Retail Schemes (NURS)

Such funds can have wider investment and borrowing powers than UK UCITS schemes with higher investment limits in various areas. They can also invest to a greater extent in areas such as property and unregulated schemes and have the option to borrow on a permanent basis. Such additional powers can increase potential reward, but may also increase risk.

OTC derivatives

Each Fund may use both exchange-traded and OTC derivatives, including futures, forwards, swaps and contracts for difference, as part of its investment policy and/or for the purpose of EPM. These instruments can be highly volatile and expose investors to a high risk of loss. Transactions in OTC derivatives may involve additional risk as there is no exchange market on which to close out an open position in such derivatives. It may therefore be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value of a position, incorrect collateral calls or delays in collateral recovery. Each Fund may invest in derivatives and forward contracts as long as the exposure of the Fund resulting from such transactions is suitably covered by its property. Exposure will include any initial outlay in respect of a transaction.

Past performance

It must be emphasised that past performance is not a guide to future growth or rates of return.

Property/Real Estate

Investments in property and property-related collective investment schemes are relatively illiquid and more difficult to realise than equities or bonds. The value of the property is a matter of judgement by the valuer, rather than fact.

Risks related to natural disasters and widespread diseases

Natural or environmental disasters, (such as earthquakes, fires, floods, hurricanes, tsunamis, and other severe weather-related phenomena) and widespread disease, (including pandemics and epidemics) may be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings and investor sentiment, which can have an adverse effect on the value of a Fund's investments and the ability to pay out dividends. Conditions that are prevalent in one country, market, or region are increasingly likely to adversely affect the markets, issuers, and/or foreign exchange rates in another country. Natural or environmental disasters could prevent a Fund from executing investment decisions in a timely manner and could negatively impact a Fund's ability to achieve its investment objective. This could have a significant adverse impact on the value and the risk profile of a Fund.

In December 2019, an outbreak of a respiratory disease caused by a novel coronavirus was first detected ("**COVID-19**"). The World Health Organisation declared a global emergency on 30 January 2020 with respect to the outbreak and then characterised it as a pandemic on 11 March 2020. The outbreak has spread globally which has resulted in borders closing, restrictions on movement of people, quarantines, cancellations of transportation and other services, disruptions to supply chains, businesses and customer activity, as well as general concern and uncertainty. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. In addition, the impact of infectious diseases in developing or emerging market countries may be greater due to less established health care systems. Health crises caused by the recent COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. Such events could increase volatility and the risk of loss to the value of a Fund's investments.

Segregated liability

Under the OEIC Regulations, each Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between funds, the concept 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 whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance.

Smaller companies

Funds investing in smaller companies invest in transferable securities which may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.

Suspension of dealing

Investors are reminded that in certain circumstances their right to redeem shares may be suspended (see "Suspension of dealings"). A suspension may occur where the ACD (with the agreement of the Depositary) or the Depositary is of the opinion that due to exceptional circumstances it is in the interests of shareholders.

Taxation

Exemptions, thresholds, regimes and rates of tax may change in future tax years.

Unregulated collective investment schemes

A Fund may invest, in total no more than 20% of the scheme property, in unregulated collective investment schemes which are generally considered to be a higher risk than investment in regulated schemes. An unregulated collective investment scheme is unlikely to be subject to regulations which govern how they are managed. For example, they can utilise higher risk investment techniques, they may borrow to invest, they can suspend calculation of Net Asset Value preventing redemption or otherwise limit redemption, they may not adhere to internationally recognised accounting standards and functions such as pricing and custody may not be subject to any rules.

A Fund may also invest in unregulated collective investment schemes which are valued less frequently than the investing Fund. As a result, there is a risk that any market movements will not be reflected in the daily price of the Fund and that investors may miss out on unrealised profits from underlying investments.