

PROSPECTUS

OF

MI DOWNING MANAGED FUNDS

Prepared in accordance with the Collective Investment Schemes Sourcebook
Dated and valid as at: 25 February 2019.

Authorised Corporate Director

Maitland Institutional Services Ltd

Registered Office and Operating Address:

Hamilton Centre

Rodney Way

Chelmsford

Essex

CM1 3BY

(Authorised and regulated by the Financial Conduct Authority)

Investment Manager

Downing LLP

6th Floor St Magnus House

3 Lower Thames Street

London

EC3R 6HD

(Authorised and Regulated by the Financial Conduct Authority)

Registered and Head Office of the Company

Hamilton Centre

Rodney Way

Chelmsford

Essex

CM1 3BY

Depository

Northern Trust Global Services SE

50 Bank Street

Canary Wharf

London

E14 5NT

Registrar

Maitland Institutional Services Ltd

Hamilton Centre

Rodney Way

Chelmsford

Essex

CM1 3BY

Solicitors

Dentons UK and Middle East LLP

One, Fleet Place

London

EC4M 7WS

Auditors

KPMG LLP

15 Canada Square

Canary Wharf

London

E14 5GL

CONTENTS

1	INTERPRETATION	2
2	CONSTITUTION.....	4
3	INVESTMENT OBJECTIVES AND POLICIES	5
	3.1 Client Money.....	5
4	RISK FACTORS	6
5	THE AUTHORISED CORPORATE DIRECTOR.....	8
6	THE DEPOSITARY	10
7	INVESTMENT MANAGER.....	10
8	NO LIABILITY TO ACCOUNT.....	11
9	SHARES IN THE COMPANY	11
10	REGISTER	12
11	VALUATIONS	12
12	PRICES OF SHARES.....	14
13	DILUTION LEVY	14
14	STAMP DUTY RESERVE TAX	15
15	ISSUE, REDEMPTION AND EXCHANGE OF SHARES.....	15
16	SWITCHING AND CONVERSIONS	19
17	SUSPENSION OF DEALINGS	20
18	MANDATORY REDEMPTION OF SHARES	21
19	DISTRIBUTION	22
20	INCOME EQUALISATION.....	23
21	THE AUTHORISED CORPORATE DIRECTOR'S CHARGES.....	23

22	THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY AND CUSTODIAN.....	24
23	OTHER PAYMENTS OF THE COMPANY	26
24	TAXATION	28
25	REPORTS AND ACCOUNTS	33
26	ANNUAL GENERAL MEETING	34
27	VOTING.....	34
28	INVESTMENT AND BORROWING POWERS.....	35
29	TRANSFER OF SHARES.....	35
30	WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS.....	35
31	OTHER INFORMATION.....	37
32	GENERAL	38
	Appendix 1 - Investment and Borrowing Powers	41
	Appendix 2 - Eligible Markets	49
	Appendix 3 - Performance Information	50
	Appendix 4 – Further Information	52

THIS PROSPECTUS IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR YOUR FINANCIAL ADVISER.

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

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

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

Shareholders are deemed to have taken notice of the provisions of the Instrument of Incorporation which is binding on each of the shareholders. A copy of the Instrument of Incorporation is available on request from Maitland Institutional Services Ltd.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Maitland Institutional Services Ltd.

This Prospectus is based on information, law and practice as at the date "valid as at date" which appears on the front cover and below. The Company and ACD cannot be bound by a prospectus which is out of date when a new version has been issued. Investors should check with Maitland Institutional Services Ltd that this is the most recently published prospectus.

US Tax Reporting

Shareholders are directed to the information on the US reporting regime under FATCA set out in section 24 (Taxation) of this Prospectus. Any shareholder that fails to provide the required information under FATCA may be subject to a compulsory redemption of their shares and/or mandatory penalties.

Shares have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered directly or indirectly 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 directly or indirectly offered or sold to US Persons (as defined below). The Funds have not been and will not be registered under the United States Investment Company Act of 1940, as amended. The ACD has not been and will not be registered under the United States Investment Advisers Act of 1940.

A "US Person" means any citizen or resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income tax, regardless of source. The expression also includes any person falling within the definition of the term "U.S Person" under Regulation S promulgated under the United States Securities Act of 1933.

1 INTERPRETATION

In this Prospectus the words and expressions set out in the first column below shall have the meanings set opposite them unless the context requires otherwise. Words and expressions contained in this Prospectus but not defined herein shall have the same meanings as in the Act or Regulations (as defined below) unless the contrary is stated. The definitions are as follows:

"ACD"	the Authorised Corporate Director of the Company holding office from time to time pursuant to the Regulations being Maitland Institutional Services Ltd at the date of this Prospectus;
"Act"	the Financial Services and Markets Act 2000 as amended, restated, re-enacted or replaced from time to time;
"AIFM Directive"	The Directive 2011/61/EU of the European Parliament and the Council of 08 June 2011 on Alternative Investment Fund Managers and amending Directives 2004/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010;
"Business Day"	a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of fair market value of the Fund's portfolio of securities or a significant portion thereof, the ACD may decide that any Business Day shall not be construed as such;
"Collective Investment Schemes Sourcebook" or "COLL"	the Collective Investment Schemes Sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;
"Company"	MI DOWNING MANAGED FUNDS;
"Conversion"	the conversion of Shares in one Class in a Sub-Fund to Shares of another Class in the same Sub-Fund and "Convert" shall be construed accordingly;
"CRS"	means the common reporting standard as developed and approved by the OECD in 2014 and implemented in the UK by the International Tax Compliance Regulations 2015 with effect from 1 January 2016;
"Custodian"	the person appointed from time to time by the Depositary as custodian being The Northern Trust Company at the date of this Prospectus;
"Depositary"	the person appointed from time to time by the Company or otherwise as depositary pursuant to the Regulations being Northern Trust Global Services SE at the date of this Prospectus;
"FCA"	means the Financial Conduct Authority or any successor

	entity from time to time;
“FCA Handbook”	the FCA’s Handbook of Rules and Guidance, as amended from time to time;
“FFI”	means Foreign Financial Institution as defined in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA, signed on 12 September 2012;
“Fund” or “Funds”	a sub-fund of the Company (being part of the scheme property that is pooled separately) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund;
"FUND Sourcebook" or “FUND”	means the rules contained in the Investment Funds Sourcebook issued by the FCA as amended from time to time;
“HMRC”	means HM Revenue and Customs, the UK tax authority
“Instrument of Incorporation” or “Instrument”	the instrument of incorporation constituting the Company, as amended from time to time;
“IRS”	means Inland Revenue Service, the US tax
“Leverage”	means any method by which exposure of the Company or a Fund is increased whether through borrowing of cash or transferrable securities or leverage embedded in derivative positions or by any other means;
"Investment Manager" or "Downing"	means Downing LLP;
“ISA”	an individual savings account under The Individual Savings Account Regulations 1998 (as amended);
"MiFID II"	the legislative framework instituted by the European Union to regulated financial markets and improve protections for investors;
"Non-UCITS Retail Scheme" or “NURS”	means a type of collective investment scheme such as the Company which is authorised by the FCA and therefore meets the standards set by the FCA to enable the Scheme to be marketed to the public within the UK, but which does not comply with the conditions necessary for it to benefit from certain passporting rights under the UCITS Directive;
"OEIC Regulations"	The Open-Ended Investment Companies Regulations 2001 (as amended);
“Professional Liability	shall have the meaning given to it in IPRU(INV) 11.13.12 EU

"Risks"	of the FCA Handbook;
"Regulations"	the OEIC Regulations and the Collective Investment Schemes Sourcebook and/or the FUND Sourcebook, as relevant;
"UCITS Directive"	European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (as amended);
"VAT"	UK value added tax.

2 CONSTITUTION

The Company is an investment company with variable capital incorporated under the OEIC Regulations. It is a Non-UCITS Retail Scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC000553 and Product Reference Number 468407. The head office of the Company is at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY. This is also the address for the service on the Company of notices or other documents required or authorised to be served on it.

The base currency for the Company is pounds sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1.

The Company was authorised by an order made by FCA with effect from 30th July 2007. The operation of the Company is governed by the Regulations, the Instrument and this Prospectus.

Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new Fund, a revised prospectus will be prepared setting out the relevant details of each Fund.

The Company currently has one Fund:

- **MI Downing Diversified Global Managers** (Product Reference Number: 637136)

The property attributable to the Funds is managed as if each Fund belongs to the "Non-UCITS Retail Scheme" category as specified in COLL. Subject to the terms set out in this Prospectus, holders of shares in the Funds are entitled to receive the net income derived from the Funds and to redeem their shares at a price linked to the value of the property of the Funds. Shareholders do not have any proprietary interest in the underlying assets of the Funds. The shareholders of the Company will not be liable for the debts of the Company.

Where shares in more than one Fund are available, the assets of each Fund will be treated as separate from those assets of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Each Fund has credited to it the proceeds of all shares linked to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within a Fund, the charges will be allocated between classes of shares in accordance with the terms of issue of the shares of those classes (as applicable). Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to the shareholders generally but they will be normally allocated by the ACD to all Funds pro rata to the value of the net assets of the relevant Funds.

Investors should note that (where shares in more than one Fund are available), the Company's Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund, and shall not be used to discharge, directly or indirectly, the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

While the provisions of the OEIC Regulations provide for segregated liability between the Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to the OEIC Regulations. It is therefore not free from doubt that the assets of a Fund will always be "ring-fenced" from the liabilities of other Funds of the Company.

In certain circumstances the Company may sue and be sued in respect of a particular Fund and may exercise rights of set-off in relation to that Fund.

3 INVESTMENT OBJECTIVES AND POLICIES

MI Downing Diversified Global Managers

The investment objective of the Fund is to provide medium to long term capital growth on a medium risk basis.

It is intended that this objective will be achieved by the Fund investing primarily in a diversified portfolio of units/shares of collective investment schemes, (including, but not restricted to, Exchange Traded Funds, unregulated funds such as hedge funds, collective investment schemes which themselves invest in property and/or the shares of property companies, and index-linked collective investment schemes), and transferable securities (including, but not restricted to, shares in investment companies including investment trusts which themselves invest in equities, property and/or the shares of property investment companies and equity linked transferable securities and fixed interest securities) on a global basis. The Fund is also permitted to invest in money market instruments, government and public securities, cash and near cash, warrants and deposits as permitted for Non-UCITS Retail Schemes in accordance with COLL.

It is intended that the assets of the Fund will be managed so that it is eligible for quotation within the Investment Association's Flexible Investment sector. Further details may be found via the IA's website at www.theinvestmentassociation.org.

The Fund may only invest in derivatives and forward transactions for the purposes of hedging.

3.1 Client Money

Monies received into client money accounts will not incur interest.

4 RISK FACTORS

Investors should bear in mind that all investment carries risk and in particular should be aware of the following:

- (a) Past performance is not a guide to future performance. The value of shares and the income derived from them can go down as well as up and as a result the investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. There is no certainty that the investment objectives of the Funds will be achieved.
- (b) The ACD's initial charge (as set out in section 21 under the heading "**The Authorised Corporate Director's Charges**") is deducted from an investment at the outset such that an equivalent rise in the value of the shares is required before the original investment can be recovered.
- (c) In certain circumstances, for hedging purposes, (as explained in Appendix 1) the Company may enter into certain derivatives transactions, including, without limitation, forward transactions, futures and options. The value of these investments may fluctuate significantly. By holding these types of investments there is a risk of capital depreciation in relation to certain Fund assets. There is also the potential for capital appreciation of such assets. **The ACD does not anticipate that the use of derivatives will have any significant effect on the risk profile of the Funds.**
- (d) The summary of the tax treatment in section 24 of this Prospectus is based on current law and practice which may change. Please note current tax levels and reliefs may change and their value will depend on the investor's individual circumstances.
- (e) The Company and the Funds are classed as Non-UCITS Retail Scheme for the purposes of the Regulations. Such funds can have wider investment and borrowing powers than 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.
- (f) The Company's investments may be subject to liquidity constraints, which means that the investments may trade infrequently and in small volumes, or that a particular instrument is difficult to buy and sell. Normally liquid investments may also be subject to periods of disruption in difficult market conditions. As a result, changes in the value of investments may be unpredictable and, in certain circumstances, it may be difficult to deal in an investment at the latest market price quoted or at a value considered by the ACD to be fair.
- (g) Subject to COLL, the Funds may invest in unregulated collective investment schemes (including hedge funds). Investment in unregulated collective investment schemes carries additional risks as these schemes may not be under the regulation of a competent regulatory authority, may use leverage and may carry increased liquidity risk as units/shares in such schemes may not be readily realisable.

- (h) The Company and the Funds may incur Leverage through borrowing cash up to 10% of the value of the scheme property, in which case the Company's or a Fund's exposure may be increased by reinvesting such cash borrowings. In the event that the interest costs associated with the borrowings are greater than any investment income and gains earned on investments made through the use of borrowing, the net asset value of the shares in a Fund may decline more rapidly than would otherwise be the case.
- (i) Investors are reminded that in certain circumstances their right to redeem shares (including a redemption by way of switching) may be suspended and/or deferred.
- (j) Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can also be relatively high.
- (k) Investment in smaller companies can be higher risk than investment in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over short time periods.
- (l) Investment in emerging markets may involve a higher than average risk due to the volatility of currency exchange rates, limited geographic focus, investment in a smaller number of issues, political and economic instability and less liquid markets.
- (m) 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 may fall in the event of a default or reduced credit rating of the issuer.
- (n) Currency fluctuations may adversely affect the value of a Fund's investments and the income thereon and, depending on the reference currency of the relevant share class, currency fluctuations may also adversely affect the value of a share class.
- (o) The Funds may invest in other collective investment schemes and as such a Fund will bear 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.
- (p) Where assets are held in custody, there may be a risk of loss resulting from the insolvency, negligence or fraudulent action of the custodian or sub-custodian.
- (q) A Fund will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. The Funds may enter into transactions in over-the-counter markets which will expose the Funds to the credit of its counterparties and their abilities to satisfy the terms of such contracts.
- (r) The real value of any returns that an investor may receive from a Fund could be affected by interest rates and inflation over time.
- (s) The Funds may invest in property funds. The value of investments held in a property fund are generally determined by the opinion of an independent valuer and is therefore subjective. Investment in such funds should be considered as long term in nature. Property investments can be relatively

illiquid compared to bonds and equities and may be subject to significantly wider price spreads which could affect the valuation.

- (t) Investors should bear in mind that commodity prices react, among other things, to economic factors such as changing supply and demand relationships, weather conditions and other natural events, the agricultural, trade, fiscal, monetary and other policies of governments and other unforeseeable events.

Typical Investor

Class A shares are available in respect of the Funds, being Class A Income and Class A Accumulation Shares. A person who invests in Class A shares will typically be a retail investor. Such investors will typically understand and appreciate the risks associated with investing in shares in the Funds or will have received advice from an appropriately qualified financial adviser.

5 THE AUTHORISED CORPORATE DIRECTOR

With effect from 1 April 2016, the ACD changed its name from Phoenix Fund Services (UK) Ltd to Maitland Institutional Services Ltd. This does not affect the ongoing management of the Company.

The authorised corporate director ("**ACD**") of the Company is Maitland Institutional Services Ltd. which is a private company limited by shares incorporated in England and Wales on 18 May 2007. The ACD is also the "AIFM" for the purposes of the AIFM Directive. The registered and head office of the ACD is at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY. This is the address at which notices and other documents may be served on the Company. The amount of the ACD's issued share capital is £950,000 issued and paid up. The ultimate holding company of the ACD is Maitland International Holdings PLC, a company incorporated in Malta.

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

It has therefore delegated to the Investment Manager the function of managing and acting as the investment adviser for the investment and reinvestment of the assets of the Funds. The ACD has, in terms of a separate distribution agreement, delegated to the Investment Manager the responsibilities for distribution and marketing of the shares and pursuant to which the distributor has the right to appoint sub-distributors upon terms acceptable to the ACD. The ACD also acts as Registrar in relation to certain functions relating to the register.

Terms of Appointment

The appointment of the ACD has been made under an agreement between the Company and the ACD, as amended from time to time (the "**ACD Agreement**"). A copy of the Agreement is available to investors and will be sent on request.

Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities.

The appointment of the ACD may be terminated either by resolution of the Company in a general meeting at any time upon twelve months' prior written notice to the ACD (provided that no such notice takes effect until the appointment of a successor authorised corporate director),

or if the ACD ceases for any reason to be the Company's authorised corporate director. The appointment of the ACD may be terminated earlier upon the happening of certain specified events.

The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company for various acts or omissions, except to the extent that the Company suffers loss by the ACD's negligence, default, breach of duty or breach of trust in its performance of duties and obligations under the ACD Agreement.

The ACD Agreement provides indemnities to the ACD against all actions, claims, costs, expenses, charges, losses, damages and liabilities incurred or suffered by the ACD, in or about the execution or exercise of its powers or duties or authorities or discretions as ACD, other than in respect of its negligence, default, breach of duty or breach of trust, or to the extent that it is a liability which has been actually recovered from another person.

Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.

The ACD will cover at all times the risks outlined below of loss or damage caused by any relevant person through the negligent performance of activities for which the ACD has legal responsibility by maintaining an amount of own funds, and will comply with the qualitative requirements addressing such risks, in each case, in accordance with the AIFM Directive and the Regulations. In addition the ACD holds significant professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered, and will comply with the qualitative requirements addressing such risks, in each case, in accordance with the AIFM Directive and the Regulations.

The risks which are specifically covered by this approach include, without being limited to, risks of:

- loss of documents evidencing title of assets of the Company;
- misrepresentations or misleading statements made to the Company or its investors;
- acts, errors or omissions resulting in a breach of:
 - (a) legal and regulatory obligations;
 - (b) duty of skill and care towards the Company and its investors;
 - (c) fiduciary duties;
 - (d) obligations of confidentiality;
 - (e) the terms of the Instrument of Incorporation;
 - (f) terms of appointment of the ACD by the Company;
 - failure to establish, implement and maintain appropriate procedures to prevent dishonest, fraudulent or malicious acts;
 - improperly carried out valuation of assets or calculation of share prices;
 - losses arising from business disruption, system failures, failure of transaction processing or process management.

Details of the fees payable to the ACD are set out in paragraph 21 headed "The Authorised Corporate Director's Charges" below.

The ACD is under no obligation to account to the Company for any profit it makes in connection with any business similar to, or in competition with, the Company.

The Company has no directors other than the ACD. The ACD is the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix 4.

6 THE DEPOSITARY

The Depositary of the Company is Northern Trust Global Service SE registered number SE000121. Its registered office and its principal place of business is at 50 Bank Street, London, E14 5NT, United Kingdom. The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Illinois, United States of America. The Depositary is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The Depositary is responsible for the safekeeping of all the Scheme Property of the Company and has a duty to take reasonable care to ensure that the Company is managed in accordance with the Instrument of Incorporation and the provisions of the COLL Sourcebook relating to the pricing of, and dealing in, shares and relating to the income and the investment and borrowing powers of the Funds. The Depositary is also responsible for monitoring the cash flows of the Funds, and must ensure that certain processes carried out by the ACD are performed in accordance with the FCA Handbook, this Prospectus and the Instrument of Incorporation.

Terms of Appointment

The appointment of the Depositary has been made under an agreement between the Company, the ACD and the Depositary, (the “**Depositary Agreement**”).

The Depositary Agreement is terminable on receipt of six months' written notice given by either party, the Depositary may not retire voluntarily except on the appointment of a new depositary.

Subject to the Regulations, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its safekeeping duties as Depositary. It has delegated custody services to the Northern Trust Company, London Branch and it contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

The Depositary and the Custodian will receive a fee from the Scheme property of the Funds as detailed paragraph 22 headed “The fees, charges and expenses of the Depositary and Custodian” below.

7 INVESTMENT MANAGER

The ACD has appointed the Investment Manager, Downing LLP, to provide investment management services to the ACD. The Investment Manager is authorised and regulated by the Financial Conduct Authority.

The Investment Manager's registered office is at 6th Floor St Magnus House, 3 Lower Thames Street London EC3R 6HD.

The principal activity of the Investment Manager is the provision of investment management services.

Terms of Appointment

The terms of the Investment Management Agreement between the ACD and the Investment Manager include the provision of investment management in accordance with the investment objectives of the Funds, the purchase and sale of investments and on the exercise of voting rights relating to such investments. The Investment Manager has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of

the scheme property of the Company including authority to place purchase orders and sale orders with regulated dealers and preparation of the Investment Manager's report half yearly for inclusion in the Company's report for circulation to shareholders. The Agreement may be terminated by either party on not less than twelve months' written notice or earlier upon the happening of certain specified events, or if the ACD considers that it is in the interests of the shareholders to do so.

The Investment Manager has confirmed that there are no conflicts of interest for the purpose of FUND 3.2.2R(6).

The Investment Manager will not be considered as a broker fund adviser under the FCA Handbook in relation to the Company.

8 NO LIABILITY TO ACCOUNT

Neither the ACD, Depositary nor any other person involved with the establishment and/or operation of the Company are liable to account to each other or to the shareholders or former shareholders of the Company for any profits or benefits they may make or receive which are made, derived from or in connection with:

- (a) dealings in the shares of the Company;
- (b) any transaction in the underlying property of the Company; or
- (c) the supply of services to the Company.

9 SHARES IN THE COMPANY

Under the Instrument, the Company is currently permitted to issue Class A Income shares and Class A Accumulation shares in relation to the Funds.

Further classes of shares may be issued from time to time by the ACD in accordance with the Instrument. On the introduction of a new share class a revised Prospectus will be prepared setting out the details of the share class.

Each share is deemed to represent one undivided unit of entitlement in the property of a Fund. If both income and accumulation shares are in existence, the number of undivided units of entitlement in the property of that Fund represented by each accumulation share increases as income is accumulated.

Any income (gross of tax) arising in relation to an accumulation share will be credited automatically to capital on the relevant accumulation/distribution date (see section 19) and this will be reflected in the price of such share.

If both income and accumulation shares are in existence in relation to a Fund, the income of that Fund is allocated as between income shares and accumulation shares according to the respective units of entitlement in the property of the relevant Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period.

The rights attaching to the shares of all classes may be expressed in two denominations and, in each of these classes, the proportion of a larger denomination share represented by a smaller denomination share shall be one thousandth of the larger denomination.

Share Class

One or more classes of share(s) may be created in respect of each Fund. As described above, currently, Class A shares are issued in the Funds and are described below:

MI Downing Diversified Global Managers

Class of Share	Type of Share	Minimum Investment	Initial Charge	Annual Charge
A	Accumulation and Income	£1,000	0%	1.00%

In order to invest in Class A shares the minimum investment requirement (as set out above) must be met. The ACD reserves the right to waive any or all restrictions applicable to investment in any class of share at any time.

10 REGISTER

The ACD is the registrar for the Company. The register of shareholders is maintained at the ACD's office at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY, where it can be inspected by shareholders during normal office hours.

No certificates will be issued in respect of a holding of shares and should any shareholder require evidence of title to shares the ACD will, upon such proof of identity and the payment of such fee (if any) as the ACD 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.

Shareholders should notify the ACD in writing of any change to their name or address.

No bearer shares are issued.

11 VALUATIONS

Valuations of the scheme property of the Company for the purpose of the calculation of share prices will be carried out in accordance with the rules for single-priced funds in COLL.

Each share linked to the Funds represents a proportional share of the overall property attributable to that Fund. Therefore, the value of a share attributable to the Funds is calculated, in broad outline, by calculating the net value of the property attributable to that Fund, and dividing that value (or that part of that value attributed to shares of the class in question) by the number of shares (of the class in question) in issue.

Valuations are normally carried out on each dealing day (being each day which is a Business Day). The valuation point for the Funds is 12 noon on each Business Day.

The ACD may carry out additional valuations if it considers it desirable to do so and may use the price obtained at such additional valuation points as the price for the relevant day. The ACD shall inform the Depositary of any decision to carry out any such additional valuations. Valuations will not be made during a period of suspension of dealings (see "**Suspension of Dealings**" below). The ACD is required to notify the Depositary if it carries out an additional valuation.

The property attributable to the Funds is, for all purposes, valued on the following basis (which is set out in full in the Instrument of Incorporation):

- Units or shares in collective investment schemes will be valued at their quoted price if a single buying and selling price is quoted or if separate bid and offer prices are quoted, the average is calculated by reference to prices before application of any initial or exit charges. Where no price (or no recent price) exists or the ACD considers that the price obtained is unreliable, the asset concerned will be attributed a value which in the ACD's opinion is fair and reasonable.
- Transferable securities will be valued at their quoted price (if a single buying and selling price is quoted) or if separate buying and selling prices are quoted, at the average of the two prices, or if, in the opinion of the ACD, the price is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the ACD, is fair and reasonable.
- Any other property will be valued at what the ACD considers a fair and reasonable mid-market price.
- Cash and amounts held in current and deposit accounts and other time-related deposits are valued at their nominal value.
- 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.
- On valuing assets, any fiscal charges, commissions, professional fees or other charges paid or payable on the acquisition or disposal of the asset are excluded.
- Deductions are made for anticipated tax liabilities and for an estimated amount of other liabilities payable out of the property of the Funds and for outstanding borrowings together with accrued but unpaid interest.
- Amounts are added in respect of estimated, recoverable tax and any other amounts due to be paid into the Fund, including interest accrued or deemed to accrue.

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

The Funds have credited to them the proceeds of all shares attributed to it, 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 the Funds are charged to the relevant Fund.

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 against all the Funds in a manner which is fair to the shareholders of the Company generally.

Fair value pricing

Where the ACD has reasonable grounds to believe that:

- (a) no reasonable price exists for a security at a valuation point; or
- (b) the most recent price available does not reflect the ACD's best estimate of the value of a security at a valuation point,

it will value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

The circumstance which may give rise to a fair value price being used includes: where there has been no recent trade in the security concerned; or due to the suspension of dealings in an underlying collective investment scheme; or where there has been the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

12 PRICES OF SHARES

The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation of the scheme property after the purchase, redemption, conversion or switch of shares is agreed. As noted above, shares in the Company are "single priced". This means that subject to the dilution levy referred to below and the initial charge (explained in section 21) the price of a share for both buying and selling purposes will be the same and determined by reference to a particular valuation point.

The price of a share is calculated at or about the valuation point each dealing day (to at least four significant figures) by:

- taking the value of the property attributable to a Fund and therefore all shares (of the relevant class) in issue (on the basis of the units of entitlement in the property of the Fund attributable to that class at the most recent valuation of that Fund); and
- dividing the result by the number of shares of the relevant class in issue immediately before the valuation concerned.

Publication of Prices

All prices will be published on the following website www.maitlandgroup.com. The ACD is not responsible for any errors in publication or non-publication which are beyond its control. Prices of all shares are also available by calling the ACD on 0345 305 4215.

13 DILUTION LEVY

The actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the share price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the shareholders' interest in the Company. In order to prevent this effect, called "dilution", the ACD has the power to charge a "dilution levy" on the sale and/or redemption of shares, but does not at present intend to do so.

As a dilution levy is not currently charged, the cost of purchasing or selling investments for the Company subsequent to shareholder dealing will be borne by the Company with a consequent effect on future growth. If the ACD decides in the future to charge a dilution levy, it will be calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of sales and redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances: where the scheme property is in continual decline; if the Company experiences large levels of net sales relative to its size; on "large deals" (defined as a transaction or a series of transactions in one dealing period with a gross value equal to or exceeding 1% of the total Fund value); in any case where the ACD is of the opinion that the interests of remaining shareholders require the imposition of a dilution levy. It is therefore not possible to predict accurately whether a dilution levy would be applied at any point in time.

The ACD may only alter its dilution policy following prior written notification to shareholders and by amending this Prospectus.

14 STAMP DUTY RESERVE TAX

This section is based on current law and HMRC practice which may change.

There is no longer any Stamp Duty Reserve Tax ("SDRT") charge levied on the surrender of Shares in the Scheme, except in the case of an in-specie redemption which is not settled pro-rata to the assets held by the Scheme. In that event, the redeeming Shareholder will be liable to SDRT at the rate of 0.5% of the value of the Shares surrendered.

15 ISSUE, REDEMPTION AND EXCHANGE OF SHARES

Requests for the purchase, redemption and exchange of shares are dealt with by the issue or cancellation of such shares by the Company.

Issue

Applications

Subject to restrictions applicable to certain classes of shares, applications for shares linked to the Funds may be made by any person. Dealings are at forward prices i.e. at prices calculated by reference to the next valuation following receipt of the application. Shares to satisfy an application received before the valuation point of the Funds (see "Valuations" for details of the valuation points) on a dealing day will be issued at a price based on that day's valuation and shares to satisfy an application received after the valuation point, or on a day which is not a dealing day, will be issued at a price based on the valuation made on the next dealing day.

Applications may be made by completing an application form and delivering it to the ACD at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or by telephone between 8.30 am and 4.30 pm on any Business Day. The ACD may also, at its sole discretion, accept instructions by facsimile or electronic means on such terms as it may specify. Telephone applications should be made to the ACD's share dealers on 0345 305 4215 or by fax on 0845 280 0087 or through approved agents. Telephone instructions must be confirmed by delivering a duly completed and signed application form to the ACD at the same address.

Application forms are available from the ACD. Applications, however made, are irrevocable (except in the case where cancellation rights are applied – see below). Subject to its obligations under COLL, the ACD reserves the right to reject any application in whole or in part. In that event application monies or any balance will be returned to the applicant by post at the applicant's risk.

Applications will not be acknowledged but a contract note will be sent on or before the business day next following the relevant Dealing Day. Certificates will not be issued. 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.

Payment in respect of applications must be received no later than the fourth business day after the relevant dealing day. However, the ACD reserves the right to request that payment in respect of applications be received prior to the relevant dealing day.

If an applicant defaults in making any payment in money or transfer of property due to the ACD in respect of the sale or issue of shares, the applicant shall indemnify the ACD and/or the Company (as the case may be) in respect of any loss or cost incurred by either of them as a result of such default and 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 case of an issue of shares, to the ACD's payment of the purchase price to the Company). The ACD may in its discretion delay arranging for the issue of the shares until payment has been received.

The ACD may charge £50 each time a trade is not fulfilled by the end of the business day on the settlement date. The ACD also reserves the right to apply interest charges at 4% above the Bank of England Base Rate on the value of any settlement not received by the end of the business day on the settlement date and thereafter. No interest will be paid on funds held prior to investment. Shares that have not been paid for cannot be redeemed.

Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an applicant decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested.

Money laundering prevention and electronic verification

Under The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act, The FCA Senior Management Arrangements Systems & Controls Sourcebook and the guidance in the Joint Money Laundering Steering Group Guidance Notes (which are updated from time to time), the ACD state that the ACD must check an applicant's identity and, in certain circumstances, the source of the money invested. The ACD may also request verification documents from the applicant or parties associated with the applicant. In some cases, documentation may be required for officers performing duties on behalf of applicants who are bodies corporate. The checks may include an electronic search of information held about the applicant (or an associated party) on the electoral role and using credit reference agencies. The credit reference agency may check the details the applicant (or an associated party) supplies against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although that is only to verify identity and will not affect the applicant's (or an associated party's) credit rating. They may also use the applicant's (or an associated party's) details in the future to assist other companies verification purposes. In applying for Shares an applicant is giving the ACD permission to ask for this information in line with the Data Protection Act 1998. If an applicant invests through a financial adviser they must fill an identity verification certificate on their behalf and send it to the ACD with the application.

The Company is subject to the Money Laundering Regulations 2007 and 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 Applicant may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.

Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue shares, pay the proceeds of the redemption of shares, or pay income on shares to investors. In the case of a purchase of shares where the Applicant is not willing or is unable to provide the information request within a reasonable period, the ACD also reserves the right to sell the shares purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment. The ACD will not be liable for any share price movements occurring during delays while money laundering checks are carried out.

The ACD will, where possible, verify identity using information from credit reference agencies. Where this is not possible or where the ACD decides, at its own discretion, that it is appropriate further documentation will be requested.

In Specie Application

The ACD may, by special arrangement and at its discretion, agree to arrange for the issue of shares in exchange for assets other than cash but only if the Depositary is satisfied that acquisition of the assets in exchange for the shares to be issued is not likely to result in any material prejudice to the interests of shareholders or potential shareholders of the Fund concerned.

Minimum Purchase

In respect of Class A shares, the minimum value which any one person may purchase initially is £1,000. The minimum value of Class A shares which may be the subject of any subsequent purchase is £1,000. However, the ACD may, by special arrangement and at its discretion, either agree on an individual basis a lower amount in relation to the minimum value requirements, or waive such requirements at its discretion.

Redemption

Shares in each Fund may be redeemed on any dealing day. Dealings are on a forward price basis as explained in the paragraph headed "**Issue**" above. Shares to be redeemed pursuant to a redemption request received before the valuation point of the relevant Fund on a dealing day will be redeemed at a price based on that day's valuation and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a dealing day, will be redeemed at a price based on the valuation made on the next dealing day. Redemption instructions may be given by delivery to the ACD of written instructions for redemption by letter at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or by telephoning the ACD on 0345 305 4215 between 8.30 am and 4.30 pm on any Business Day. Redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions are irrevocable.

A redemption contract note will be sent on or before the next business day following the relevant dealing day. 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. There may also be deducted, if the consideration is to be remitted abroad, the cost of remitting the proceeds (if any). If a

redeeming shareholder wishes to be paid other than by cheque, the ACD will endeavour to arrange this but at the cost of the shareholder. 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 ACD of the request to redeem the shares; or
- (b) the time when the ACD has received all duly executed instruments and authorisations which effect (or enable the ACD to effect) transfer of title to the shares.

However, neither the Company nor the ACD 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 ACD 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 Union obligation.

In Specie Redemption

Where a shareholder requests redemption of a number of shares, the ACD at its discretion may, 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 redemption price of his 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 fourth 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, with a view to achieving no more advantage or disadvantage to the shareholder requesting redemption of his shares than to continuing shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the shares.

Electronic Communication of Transfer / Renunciation of Title to Funds

The ACD may accept instructions to transfer or renounce title to shares by electronic communication in certain, limited circumstances following our prior agreement which will only be given on a case by case basis. In such circumstances the ACD will accept electronic communication only where the ACD can satisfy itself that the communication is from the shareholder and is genuine. The ACD does not intend, however, to accept electronic instructions as a matter of course and will require signed, hard copy instructions in accordance with the above.

Minimum Redemption and Holding

In respect of each share in each Fund, if the redemption request is in respect of only some of the shares held, the minimum value of shares which may be the subject of redemption is £1,000 for Class A Shares. Where the value of an individual holding of shares would, in consequence of a request for redemption/cancellation, fall below £1,000 for the Class A Shares such request may be treated as a request for redemption/cancellation of all the shares held by such shareholder. The value of shares for this purpose is calculated by reference to the current price, net of any initial charge. However the ACD may, by special arrangement on a case by case basis and at its discretion, agree a lower amount in relation to the minimum redemption size.

Deferred Redemption

In times of high levels of redemption, the ACD may, with the prior agreement of the Depositary, or shall if the Depositary so requires, permit deferral of redemptions to the next valuation point where the total value of the redemptions requested together represent over 10% of the relevant Fund's net asset value. If the Company refuses to redeem Shares for this reason, the requests for redemption on such date shall be reduced on a pro-rata basis and the Shares to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day in priority to any request received thereafter. Subject to sufficient liquidity being raised at the next valuation point all redemption requests relating to the earlier valuation point will be completed before those relating to the later valuation point.

16 SWITCHING AND CONVERSIONS

Conversions

Subject to any restrictions on the eligibility of investors for a particular share class, a shareholder may convert shares in one class in a Fund for shares in a different class in the same Fund subject to the investment minima as set out in this Prospectus.

Conversions will be effected by the ACD recording the change of share class on the register of the Company.

If a shareholder wishes to convert shares he should apply to the ACD in the same manner as for a sale as set out section 14 above.

Conversions will be effected at the next valuation point. The number of shares to be issued in the new class will be calculated relative to the price of shares being converted from. The ACD will notify shareholders once the conversion has been effected. Conversions will not generally be treated as a disposal for capital gains tax purposes and no stamp duty reserve tax will be payable usually on the conversion.

There is no fee on a conversion between classes of the same Fund.

Switches

Where shares in more than one Fund are available, shareholders may (subject to the qualifications below) exchange shares in one Fund for shares in a different Fund. The appropriate number of shares is determined by the following formula:

$$N = \frac{O \times RP}{SP}$$

where N is the number of new shares to be issued, rounded down to the nearest whole number of shares; O is the number of shares in the old class to be exchanged, RP is the price at which one share in the old class can be redeemed and SP is the price at which one share of the new class can be purchased (net of any initial charge), in both cases at the application valuation point (see below). The ACD may adjust the number of new shares to be sold to reflect the effect of the dilution levy (if applicable) and any SDRT or other charges payable on the redemption or sale (as applicable) of the shares concerned.

The right to exchange is subject to the following:

- the ACD and the Depositary are not obliged to give effect to a request for exchange of shares if the value of the shares to be exchanged is less than the minimum permitted

transaction (see above) or if it would result in the shareholder holding shares of any class of less than the minimum holding for that class of share (see above);

- the ACD may decline to permit an exchange into a Fund in respect of which there are no shares in issue, or in any case in which they would be entitled under COLL to refuse to give effect to a request by the shareholder for the redemption of shares of the old class or the issue of shares of the new class.

Exchanges between classes of shares linked to different Funds may be subject to a charge (See "Switching Charge" below).

It should be noted that an exchange of shares in a Fund for shares in any other Fund is treated as a redemption and sale and will, for persons subject to UK taxation, be regarded as a realisation for the purposes of capital gains taxation.

In no circumstances will a shareholder who exchanges shares in one Fund for shares in any other Fund (or who converts between classes of shares) be given a right by law to withdraw from or cancel the transaction.

Application

A shareholder wishing to exchange shares should apply in the same way as for a redemption (see above). An exchange to be made pursuant to a request received before the valuation point of the Fund concerned on a day which is a Dealing Day for that Fund (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; where a request is received after that time, or on a day which is not a Dealing Day for the Fund, the exchange will be effected at a price based on the valuation made on the next such Dealing Day.

A contract note giving details of the exchange will be sent on or before the Business Day next following the relevant dealing day.

17 SUSPENSION OF DEALINGS

The ACD may with the prior agreement of the Depositary, and must without delay, if the Depositary so requires, temporarily suspend the issue, cancellation, sale, redemption and exchange of any shares in a Fund ("dealing") where due to exceptional circumstances it is in the interests of all shareholders in the Fund.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for so long as it is justified having regard to the interests of the shareholders. On suspension, the ACD, or the Depositary (if the Depositary has required the ACD to suspend dealings) will immediately inform the FCA stating the reason for the suspension and as soon as practicable give written confirmation of the suspension and the reasons for it to the FCA.

The ACD will notify shareholders of the suspension as soon as practicable after suspension commences, drawing shareholders' particular attention to the exceptional circumstances which resulted in the suspension in a manner that is clear, fair and not misleading, and will inform shareholders of how to obtain further information regarding the suspension with a view to keeping shareholders sufficiently informed. The ACD shall publish on its website and/or by other general means sufficient details to keep shareholders appropriately informed about the suspension including, if known, its likely duration.

During a suspension none of the obligations in COLL 6.2 (Dealing) apply; and the ACD shall comply with as much of COLL 6.3 (Valuation and pricing) as is practicable in the light of the

suspension. The suspension of dealings in shares must cease as soon as practicable after the exceptional circumstances which led to the suspension, have ceased.

The ACD and the Depositary shall formally review the suspension at least every 28 days and inform the FCA of the results of this review and any change to the information provided to the FCA in respect of the reasons for the suspension.

The ACD shall inform the FCA of the proposed restart of dealing in Shares and immediately after the restart shall confirm this by giving notice to the FCA.

The ACD may agree, during the suspension, to deal in shares in which case all deals accepted during, and outstanding prior to, the suspension will be undertaken at a price calculated at the first valuation point after restart of dealing in shares, provided that if the ACD operates limited redemption arrangements, and the event leading to the suspension of dealing has affected a valuation point, the ACD shall declare an additional valuation point as soon as possible after the restart of dealing in shares.

The provisions relating to suspension of dealings can only apply to one or more classes of shares without being applied to other classes, if it is in the interest of all the shareholders.

18 MANDATORY REDEMPTION 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 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);
- (c) are held in any manner by virtue of which the shareholder or shareholders in question is/are not qualified to hold such shares; or
- (d) are owned by a Shareholder who is registered in a jurisdiction (where the Fund is not registered or recognised by the relevant competent authority) whereby communication with that shareholder by the ACD, on behalf of the Fund, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the ACD to prevent such a communication constituting a breach),

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 the redemption of the shares by the Company. If 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 thirty-day period to have requested their redemption.

19 DISTRIBUTION

The annual accounting period for the Company and the Funds ends on 31 May (the "**accounting reference date**"). The half-yearly accounting period ends on 30 November (the "**interim accounting reference date**").

In respect of the MI Downing Diversified Global Managers, allocations and, if relevant, distributions of income will be made on or before 30 September each year.

Distribution statements and tax certificates will be sent to shareholders. A crossed cheque or warrant for the amount of the net distribution will, where applicable, be sent to 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) or payments may be made by bank automated credit system at the ACD's discretion.

Where relevant, any distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed distribution, interest or other sum payable by the Company on or in respect of a share into a separate account shall not constitute the Company a trustee thereof.

Determination of Distributable Income

As at the end of each annual accounting period, the ACD must arrange for the Depositary to transfer the income payable for distribution attributable to the Funds to the distribution account.

In this context, income payable for distribution generally means all sums considered by the ACD, in each case after consultation with the Company's auditors, to be in the nature of income received or receivable for the account of and in respect of the property attributable to the Funds, but excluding any amount (if any) for the time being standing to the credit of the distribution account.

The ACD need not comply with the above provisions if the average of the allocations of income to the shareholders of the Funds would be less than £10 or such other amount agreed between the ACD and the Depositary. In that case, such amounts may be carried forward to the next accounting period and will be regarded as received at the start of that period. Otherwise, such sums may be credited to capital as determined by the ACD.

On or before each annual income distribution date, the ACD must calculate the amount available for income distribution for the immediately preceding annual accounting period and must inform the Depositary of such amount.

The amount available for income distribution is calculated by taking the aggregate of the income property received or receivable for the account of the Funds in respect of the relevant period, deducting the charges and expenses of the Company paid or payable out of the income property in respect of that period and adding the ACD's best estimate of any relief from tax on those charges and expenses. Further adjustments may be made as the ACD considers appropriate (after consultation with the auditors) in relation to taxation and the proportion of the prices received or paid for shares that relate to income (taking account of any provisions in the Instrument of Incorporation relating to income equalisation), potential income which is unlikely to be received until 12 months after the relevant allocation date, income which should not be accounted for on an accrual basis because of lack of information about how it accrues, any transfer between the income and the capital account (regarding payments from capital or income) and making any other adjustments which the ACD considers appropriate (after consultation with the auditors).

In relation to income shares, on or before each relevant income distribution date, the ACD will instruct the Depositary to enable it to distribute the income allocated to income shares among the holders of such shares and the ACD in proportion to the number of such shares held, or treated as held, by them respectively at the end of the relevant period.

The amount of income allocated to accumulation shares becomes part of the capital property and to the extent that shares of any other class (such as income shares) were in issue in relation to the relevant period, the interests of holders of accumulation shares in that amount must be satisfied by an adjustment at the end of the relevant period in the proportion of the scheme property to which the price of an accumulation share is related. This ensures that the price of an accumulation share remains unchanged despite the transfer of income to capital property.

In calculating the amount to be distributed, the ACD must deduct and carry forward in the income account such amount as is necessary to adjust the allocation of income to the nearest one hundredth of a penny per share or such lesser fraction as the ACD may determine.

20 INCOME EQUALISATION

An allocation of income (whether annual or interim) to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("**income equalisation**") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the share price of shares of that class issued or sold in the annual or interim accounting period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

21 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES

Initial Charge

The ACD may impose a charge payable by the shareholder on the issue of shares (the "**initial charge**"). This charge is calculated by reference to the issue price of the shares purchased. The current initial charge applicable to Class A shares in each of the Funds is 0%.

If at any time the current initial charge applicable to shares of a particular Fund is increased, the ACD is required to give not less than 60 days prior notice in writing to all shareholders before such increase may take effect. The ACD is also required to revise the prospectus to reflect the new current rate and the date of its commencement.

Charges on Switching and Conversion

The ACD does not currently impose a charge on conversions or switches.

Redemption Charge

The Company's Instrument permits a redemption fee to be charged on the sale of shares however currently no redemption fee is charged in respect of the Funds.

Annual Charge

The ACD is entitled to a periodic charge which accrues daily and is payable monthly. This charge is calculated by reference to the value of the relevant Fund on the last valuation day of

the preceding month and is payable out of the property attributable to that Fund. It is paid within seven days. The annual charge is payable by the Company from the scheme property attributable to the Funds and is paid to the ACD by way of remuneration for its duties and responsibilities to the Company as ACD. The charge is calculated separately in relation to each share linked to the Funds as a percentage rate per annum of the total value of the units of entitlement in the property of the Funds on the relevant valuation date.

The current annual charge in respect of the Funds is 1.0%.

Such charges exclude VAT to the extent it is payable. Any increase in the above rates requires not less than 60 days' prior notice in writing to the shareholders before such increase may take effect. Also, the ACD is required to revise the Prospectus to reflect the new current rate and the date of its commencement.

The first accrual will be in respect of the period from the day on which the first valuation of the Funds is made to the end of that month and is based upon the first valuation point. The annual 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. The amount(s) accruing due on the last relevant valuation date before the event concerned will be adjusted accordingly.

22 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY AND CUSTODIAN

Depositary fees

The Depositary receives for its own account a periodic fee which will be calculated and accrue daily and is payable monthly on the last business day in each calendar month in respect of that day and the period since the last business day in the preceding month and is payable as soon as practicable after the last business day in each month. The fee is calculated by reference to the value of the Fund on the last business day of the preceding month except for the first accrual which is calculated by reference to the first Valuation Point of the Fund. The rate of the periodic fee is agreed between the ACD and the Depositary and is calculated on a sliding scale for the Fund on the following basis:

- 0.03% per annum for the first £100,000,000 in value of the scheme property;
- 0.02% per annum on the next £150,000,000 in value of the scheme property; and
- 0.01% per annum on the value thereafter.

The annual fee is subject to a minimum of £10,000 per annum per Fund.

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

The first accrual in relation to any new Fund will take place in respect of the period beginning on the day on which the first valuation of the Fund is made and ending on the last business day of the month in which that day falls.

Transaction charges and custody charges

In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the scheme property as follows:

Item	Range
Transaction Charges	£6 to £200
Custody Charges*	0.005% to 0.70%.
*Minimum £7,500 per annum.	

These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last business day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.

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

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

On a winding up of the Fund, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

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

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

Expenses

The Depositary is entitled to be reimbursed out of the property of each of the Funds for:

- (a) expenses properly incurred in performing duties imposed on it;
- (b) exercising powers conferred upon it by COLL, together with any VAT payable. The relevant duties may include without limitation:
 - delivery of stock to the Depositary or custodian (where relevant);
 - custody of assets;
 - maintenance of the Register and any sub-plan register;
 - collection of income;
 - submission of tax returns;
 - handling tax claims;
 - preparation of the Depositary's annual report;
 - such other duties as the Depositary is required by law to perform.

In particular, the Depositary may be paid the following expenses or disbursements (plus VAT):

- (i) all expenses of registration of assets in the name of the Depositary or its nominees or agents; of acquiring, holding, realising or otherwise dealing with any asset; of custody of documents; of insurance of documents and of collecting income or capital; of opening bank accounts; of effecting currency transactions and transmitting money relating to borrowings or other permitted transactions; of obtaining advice, including legal, accountancy or other advice; of conducting legal proceedings; of communicating with holders, the ACD, the Registrar or other persons in respect of each of the Funds, relating to any enquiry by the Depositary into the conduct of the ACD and any report to holders or otherwise relating to the performance by the Depositary of its duties or the exercise by the Depositary of its powers; and
- (ii) all charges of nominees or agents in connection with any of the matters referred to at (i) above; and
- (iii) any other costs, disbursements or expenses accepted under the laws of England and Wales from time to time as being properly chargeable by the Depositary.

If any person, at the request of the Depositary in accordance with the Regulations, provides services including but not limited to those of a custodian of property of the Funds, the expenses and disbursements hereby authorised to be paid to the Depositary out of the property of the Funds shall extend to the remuneration of such persons as approved by the Depositary and the ACD.

The amount or rate of any of the Depositary's fees and charges referred to above shall (unless otherwise stated) be determined by reference to the scale or tariff or other basis from time to time agreed between the ACD and the Depositary and notified to the ACD by the Depositary.

The Depositary shall be entitled to recover its fees, charges and expenses when the relevant transaction or other dealing is effected or relevant service is provided or as may otherwise be agreed between the Depositary and the Company or the ACD.

On a winding up of the Company, the termination of a Fund or the redemption of a class of shares, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up the termination or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the agreement with the Depositary.

In the event shares are issued in respect of two or more Funds, any fees, liabilities, expenses, costs or charges not attributable to a particular Fund will generally be allocated between the Funds pro rata to the value of the Net Asset Value of the Funds. However, the ACD has the discretion to allocate these fees and expenses in a manner which it considers fair to the shareholders generally. In each such case such expenses and disbursements may also be payable if incurred by any person (including the ACD or an associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the Regulations by the Depositary.

23 OTHER PAYMENTS OF THE COMPANY

The following expenses (being the actual amounts incurred together with any applicable VAT thereon) may also be payable by the Company out of its assets at the discretion of the ACD:

- transaction costs, including (without limitation) the fees and/or expenses incurred in acquiring, registering and disposing of investments, such as (for example) broker's

commissions, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Company and normally shown on contract notes, confirmation notes and difference accounts as appropriate;

- the direct and indirect transaction and the operational costs and/or fees arising from time to time as a result of the ACD's use of efficient portfolio management techniques (as described in Appendix 1);
- interest on and other charges relating to permitted borrowings;
- taxation and other duties payable by the Company;
- any costs incurred in amending the Instrument and Prospectus including the removal of obsolete provisions;
- any costs incurred in respect of any meetings of shareholders convened for any purpose, including meetings convened on a requisition by holders not including the ACD or an associate of the ACD;
- the expenses of the Depositary in convening a meeting of shareholders convened by the Depositary above;
- any fees in relation to a unitisation, amalgamation or reconstruction 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 participation 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 that 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;
- any audit fee and any proper expenses of the auditor;
- any fee and any proper expenses of any professional advisers retained by the Company or by the ACD in relation to the Company or the Funds;
- the cost of preparing, printing and distributing literature required or necessary for the purpose of complying with the Regulations or any other applicable law or regulation (excluding the cost of dissemination of the Key Investor Information Document or any successor or equivalent documentation);
- any costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for shareholders;
- any costs of listing the prices of the Funds in publications and information services selected by the ACD including the Financial Times;
- any costs of establishing and authorising the Company;
- any costs of establishing and authorising new Funds of the Company after its initial establishment;
- any fees and expenses in respect of establishing and maintaining the register of shareholders and any sub-register of shareholders;
- any costs incurred in producing and despatching any payment made by the Company;

- any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- the periodic fees of the FCA together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which shares in the Company are or may be marketed;
- any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- any costs associated with the admission of shares to listings on any stock exchange and with the maintenance of that listing (including, for the avoidance of doubt, the fees levied by the exchange in question as a condition of the admission to listing of the shares and the periodic renewal of that listing), any offer of shares, including the preparation and printing of any prospectus and the creation, conversion and cancellation of shares associated with such prospectus;
- any expense incurred with respect to the publication and circulation of details of the net asset value of the Company;
- subject to the Regulations, any amount payable by the Company under any indemnity provisions provided for in the Instrument of Incorporation or any agreement to which the Company is party.

VAT on any fees, charges or expenses will be added to such fees, charges or expenses and will be payable by the Company.

Registrar fees

The ACD is entitled to payment of any fees, expenses and disbursements (including the fees, expenses and disbursements resulting from the establishment and maintenance of any sub-register) for which the Company is also responsible for paying. The registration fee is £20 per account per annum subject to a minimum fee of £10,000 per annum and where more than two distributions are paid, each additional distribution incurs a charge of £1,000 per annum.

The ACD is also entitled to receive transfer agency fees as follows:

Dealing fees:

Electronic: £15 per deal

Manual: £20 per deal

Complex: £100 per deal

Electronic dealing is done through Calastone or EMX; Manual dealing is by post, telephone or fax; and Complex transactions include, for example, dealings involving administrators or executors of wills.

24 TAXATION

General

The taxation of both the Company and its shareholders is subject to the fiscal law and practice of the UK and of the jurisdictions in which shareholders are resident or otherwise subject to tax. The following summary of the anticipated tax treatment in the UK does not constitute legal or

tax advice. Prospective investors should consult their own professional advisers on the tax implications of making an investment in the Company, holding or disposing of shares and the receipts of distributions. The following summary is based on the taxation law and practice in force at the date of this prospectus, but prospective investors should be aware that the relevant fiscal rules or their interpretation are subject to change.

The Company

The UK tax regime applicable to the Company is primarily set out in Chapter 2 of Part 13 of the Corporation Tax Act 2010 and in the Authorised Investment Funds (Tax) Regulations 2006 (SI 2006/964) (the "Tax Regulations").

The Company will be liable to corporation tax on its taxable income, less its expenses of management. Corporation tax will be payable for a financial year at the basic rate of income tax for the tax year beginning in that financial year (currently 20%). Sums appropriated in accordance with the terms of this Prospectus (as amended from time to time) for the remuneration of the ACD will be treated as management expenses.

Like other UK companies, the Company will not generally be subject to corporation tax on dividends. Dividends from other OEICs and authorised unit trusts will be received subject to the corporate streaming rules. The portion of such dividends deemed to represent unfranked income will constitute taxable income of the Company. Where foreign tax has been deducted from income from overseas sources, that tax may in some instances be offset against corporation tax payable by the Company under double taxation relief arrangements.

As an OEIC, the Company will benefit from the exemption from corporation tax on chargeable gains in respect of disposals of its investments. The Company will also not be subject to corporation tax on any profits or gains (or be entitled to corporation tax relief for any losses) which it derives from its creditor loan relationships or its derivative contracts, to the extent that those profits, gains or losses are treated as capital in nature. Capital profits, gains or losses for this purpose are those profits, gains or losses arising from an OEIC's creditor loan relationships or derivative contracts which fall to be dealt with under the heading "net capital gains/losses" in the OEIC's statement of total return for the accounting period in question.

Dependent upon the nature of the income arising within individual Funds, the total amount shown in the distribution accounts of the Company is available for distribution to shareholders in one of two ways:

- (a) it may be shown as available for distribution as a dividend; or
- (b) it may be shown as available for distribution as yearly interest.

Each Fund is regarded as a separate OEIC for tax purposes and the Company as a whole is not so regarded. The Tax Regulations also provide that where an OEIC has different share classes there shall be no discrimination between participants in respect of different classes of shares, and accordingly it is not possible to make different types of distributions to different classes of shares within a Fund.

Shareholders

The following is a general statement of current UK tax law and HM Revenue & Customs' published practice. Such law and practice may alter without prior warning. It does not describe the taxation treatment of shareholders which are subject to specific tax regimes or of persons resident in jurisdictions other than the United Kingdom. Shareholders are advised to consult their professional advisers as to their tax position in all circumstances.

Individuals

An individual shareholder resident in the United Kingdom for tax purposes is liable to income tax on distributions made by the Company.

An individual shareholder resident in the United Kingdom for tax purposes whose overall dividend income, including dividend distributions received from the Company, does not exceed £2,000 should have no further tax liability in relation to the dividend distributions regardless of the rate at which they normally pay income tax. To the extent that dividend distributions are received in excess of an individual's £2,000 allowance, basic, higher and additional rate taxpayers will be required to pay income tax on the distributions received at a rate of 7.5%, 32.5% and 38.1% respectively.

On a disposal of shares in the Company individual shareholders may, depending upon their personal circumstances, have a liability to capital gains tax. Any net gain giving rise to a liability to capital gains tax will be charged to tax at the rate of 10% to the extent that the net gain, when added to the shareholder's income subject to income tax for the tax year, is within the basic rate band for the tax year, and otherwise at the rate of 20%.

If the investments attributable to the Funds were throughout any distribution period to consist of more than 60% by market value in "qualifying investments" (see the definition under the heading "Corporate" below), the Fund would distribute its income as yearly interest.

In such a situation, after taking account of any savings allowance to which the shareholder is entitled for the tax year in which the interest distribution is received, UK resident individuals and certain other shareholders liable to UK income tax will be taxable on the sum of their interest distributions received during the relevant tax year at the rate of 20%, 40% or 45%, depending on the amount of the shareholder's other income subject to income tax.

It is not the ACD's intention to manage the assets attributable to any Fund such that distributions are regarded as interest.

An exchange of shares in one Fund for shares in any other Fund will be treated as a disposal and acquisition for capital gains tax purposes. The disposal may be subject to capital gains tax as a disposal in its own right. An exception to this rule applies when two Funds merge with a result that one Fund ceases to exist. Usually, in these circumstances, shares in the new Fund will be treated as having been acquired at the same time and for the same amount as the shares in the old Fund.

Corporate

Corporate shareholders resident in the United Kingdom for tax purposes will be subject to the corporate streaming rules in relation to any dividends received from the Company. Such dividends are "streamed" into unfranked and franked income depending on the relative proportions of franked and unfranked income comprised in the gross income of the Fund. Any deemed unfranked income will be liable to corporation tax in the hands of any shareholders within the charge to corporation tax (this includes shareholders who are, themselves, either an OEIC or authorised unit trust).

In order to prevent avoidance of the tax regime relating to corporate debt (contained in the Finance Act 1996) by companies investing in an OEIC which in turn invests in debt, if the OEIC at any point in an accounting period fails to satisfy the qualifying investments test described below, the holding is treated as if it were a holding of rights under a creditor relationship of the company in respect of which fair value accounting must be used. Fluctuations in the value of the investments held by the company in such circumstances will therefore be taxed or relieved on an annual basis. The qualifying investments test requires that

not more than 60 per cent of the market value of the investments of the OEIC are held in "qualifying investments". "Qualifying investments" for these purposes consist mainly of:

- (i) any money placed at interest;
- (ii) any security –
 - (A) including loan stock or similar security whether of the UK Government or any other government or of any public or local authority in the UK or elsewhere or of any company, and whether secured or unsecured, but
 - (B) excluding shares in a company;
- (iii) any shares in a Building Society; and
- (iv) an entitlement to a share in the investments subject to the trusts of another authorised unit trust or OEIC unless the investments of the authorised unit trust or the OEIC fulfil the 60% qualifying investments requirement stated above.

Any chargeable gains arising to United Kingdom resident corporate shareholders on a disposal of their shares in the Company will be subject to corporation tax.

An exchange of shares in one Fund for shares in another Fund will be treated as a disposal of the shares in the first Fund and a separate acquisition of shares in the second Fund. Any gain arising on a disposal of shares in a Fund will be subject to corporation tax. The exception described above under the heading "individuals" above where two Funds merge also applies to corporate shareholders.

ISAs

Shares attributable to the Funds will be eligible for inclusion within a stocks and shares component of an ISA.

General

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 certificate will be issued to the shareholder to provide the appropriate details for their returns.

Provision and disclosure of information for taxation matters

In the UK, provisions relating to the disclosure and reporting of information are set out in The International Tax Compliance Regulations 2015 (the "Regulations"). These harmonise the requirements under the Common Reporting Standard, EU Council Directive 2014/107/EU and FATCA, as discussed below.

Common Reporting Standard

The OECD published the Standard for Automatic Exchange of Financial Account Information in July 2014, also known as the CRS. The CRS is a single global standard for the automatic exchange of information ("AEOI") between taxation authorities in participating jurisdictions. The CRS aims to improve transparency to counter tax evasion in participating jurisdictions and to provide taxation authorities in participating jurisdictions with information on offshore or cross-border financial accounts and assets owned by individuals and entities resident in their local jurisdiction.

The CRS sets out details of the financial information to be exchanged, the financial institutions required to report such information to local tax authorities, and the common due diligence standards to be followed by financial institutions to obtain financial account information. A "financial institution" for the purposes of the CRS will include the ACD and could include any intermediary financial undertaking operating a custodial account in a participating jurisdiction in which shares in a Fund are directly or indirectly held by an individual or entity resident in another participating jurisdiction.

Shareholders and prospective investors should note that there will be a requirement for the name, address, jurisdiction(s) of tax residence, date and place of birth, account reference number, tax identification number(s) of each reportable person in respect of a reportable account for the CRS, and information relating to each shareholder's investment (including but not limited to the value of and any payments in respect of the shares) to be disclosed by or on behalf of the ACD to HM Revenue and Customs. HM Revenue and Customs may in turn exchange this information with the tax authorities in territories who are participating jurisdictions for the purposes of the CRS. In order to comply with its obligations, shareholders may be required to provide additional information for the purposes of complying with the CRS.

European information reporting

Council Directive 2014/107/EU (the "Amending Cooperation Directive"), which amends Council Directive 2011/16/EU on administrative cooperation in the field of taxation, introduces an extended regime for the automatic exchange of information between tax authorities in Member States. The Amending Cooperation Directive requires each Member State to implement the CRS.

The Amending Cooperation Directive requires Member States to adopt national legislation necessary to comply with it by 31 December 2015, and such legislation must apply from 1 January 2016 (or 1 January 2017 in the case of Austria). The UK implemented the Amending Cooperation Directive with effect from 1 January 2016.

The ACD or its delegates shall be entitled to require shareholders to provide any information regarding their tax status, identity or residency in order to satisfy the disclosure requirements in the Amending Cooperation Directive.

US regime under FATCA

Under tax legislation in the US, an information reporting regime has been introduced known as the Foreign Account Tax Compliance Act ("FATCA"). Broadly, the intention of FATCA is to safeguard against US tax evasion by requiring non-US financial institutions to report to the US Internal Revenue Service ("IRS") certain information in respect of certain account holders. In the event of non-compliance with the FATCA regime, the Company may be subject to a US tax withholding of 30% on certain payments it receives and may in certain circumstances in the future be obliged to make withholding from payments to shareholders.

Broadly, the FATCA regime has been implemented in the UK by the Regulations. Provided that the Company registers with the IRS as a FFI and complies with its obligations pursuant to the Regulations, no FATCA withholding tax should apply. If there is significant non-compliance with the Regulations, FATCA withholding tax could then apply. Any non-compliance could give rise to penalties under the Regulations.

Shareholder agreement to provision of information to HMRC and other tax authorities

In order to comply with CRS, EU Council Directive 2014/107/EU, FATCA and other regimes, the Company, the ACD or their delegates will report information regarding shareholders to HM Revenue and Customs, as its local tax authority. This information may be passed by HM Revenue and Customs to the other tax authorities including the IRS under information sharing agreements.

The ability of the Company or the ACD to report information to HM Revenue and Customs will depend on each affected shareholder providing the Company, the ACD or their delegate with the information required to satisfy the applicable obligations. By agreeing to subscribe for shares in a Fund, each shareholder agrees promptly to provide such information as the Company or its delegate may request for such purposes, and will be deemed to have authorised the automatic disclosure of information by or on behalf of the Company, the ACD or their delegates to HM Revenue and Customs or other relevant tax authorities. If a shareholder fails to provide the information requested, the Company may exercise its right to compulsorily redeem the shares held by the relevant shareholder. Shareholders refusing to provide the requisite information to the ACD or its delegates may also be reported to HM Revenue and Customs.

Shareholders are recommended to consult their professional advisers if they are in any doubt about their tax position or the possible implications of an investment in a Fund.

25 REPORTS AND ACCOUNTS

The annual accounting period of the Company ends on 31 May.

The annual report of the Company (the "**long report**") will be published on or before the end of September and the half-yearly long report on or before the end of January in each year. Copies of these long reports may be inspected at, and copies obtained free of charge from the ACD at its operating address. These reports may also be viewed on the ACD's website at www.maitlandgroup.com.

The reports shall (if relevant) contain details of:

- (a) the percentage of each Fund's assets that are subject to special arrangements arising from their illiquid nature;
- (b) any new arrangements that the ACD has made for managing a Fund's liquidity;

(c) each Fund's current risk profile and the risk management systems employed by the ACD to manage those risks.

26 ANNUAL GENERAL MEETING

The OEIC Regulations allow for the Company to dispense with the requirement to hold Annual General Meetings. The ACD has therefore decided that the Company will not hold Annual General Meetings. Shareholders will therefore only be entitled to exercise their voting rights at Extraordinary General Meetings of the Company.

27 VOTING

Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to those persons who are holders of shares in the Company on the date seven days before the notice is sent ("**the cut-off date**"), but excluding any persons who are known not to be holders at the date of the meeting or other relevant date.

At a meeting of shareholders, on a show of hands every holder who (being an individual) is present in person or by proxy 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 shares in issue on the cut-off date. A holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. 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 chairman, 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 attorney or, if the appointor is a corporation, either under the common seal, executed as a Deed or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

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. 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.

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 represents as the corporation could exercise if it were an individual holder.

In the case of joint holders the vote of the most 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 himself 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 ACD must, by way of an extraordinary resolution (i.e. a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast), obtain prior approval from the shareholders (or, where applicable, class of shareholders) for any proposed change to the Company or any of its Funds which, in accordance with COLL, is a fundamental change. Such a fundamental change is likely to include:

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

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 COLL.

28 INVESTMENT AND BORROWING POWERS

A description of the types of property the Company may invest in and a summary of the applicable limits is set out in Appendix 1. A list of the eligible markets is set out in Appendix 2.

29 TRANSFER OF SHARES

A shareholder is entitled (subject to 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. 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 ACD for registration. The transferor remains the holder until the name of the transferee has been entered in the register.

The Company or the ACD 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.

30 WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

The Company may be wound up under chapter 7.3 of COLL or as an unregistered company under Part V of the Insolvency Act 1986. Winding up of the Company or termination of the Fund under COLL 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 or the Funds 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 or a Fund will be wound up or terminated (as appropriate) under COLL:

- if an extraordinary resolution of shareholders of either the Company or the relevant Fund (as appropriate) to that effect is passed; or

- on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company or a request for the termination of that Fund.

The ACD may request that a Fund be terminated in certain situations such as if, at any time after the first anniversary of the issue of the first shares linked to a Fund the net value of the assets of the Company attributable to such Fund is less than £1 million.

The winding up of the Company or termination of a Fund under COLL is carried out by the ACD which will, as soon as practicable, cause the property of the Company or that property attributable to the Fund to be realised and the liabilities 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 or a Fund (as the case may be) the ACD may arrange for interim distribution(s) to be made to shareholders. When all liabilities have been met, the balance (net of a provision for any further expenses) will be distributed to shareholders. The distribution made in respect of a Fund will be made to the holders of shares linked to that Fund, in proportion to the units of entitlement in the property of that Fund which their shares represent.

Shareholders will be notified of any proposal to wind up the Company or terminate any of the Funds. On commencement of such winding up or termination the Company will cease to issue and cancel shares and transfers of such shares shall cease to be registered.

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

31 OTHER INFORMATION

Conflicts of Interest

The ACD, the Investment Manager and other companies within Maitland Institutional Services and/or the Investment Manager's group may, from time to time, act as investment managers or advisers to other funds or sub-funds which follow similar investment objectives to those of the Funds. It is therefore possible that the ACD and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Company or a particular Fund. Each of the ACD and the Investment Manager will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Instrument of Incorporation, the Depositary Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of shareholders collectively so far as practicable, having regard to its obligations to other clients.

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

Liability and Indemnity

With the exception mentioned below:

- The ACD, the Depositary and the Auditors 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 Auditors 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.

Professional Liability Risk

As the Company is an 'Alternative Investment Fund' for the purposes of the AIFM Directive, the ACD is required to ensure that certain Professional Liability Risks are covered at all times, either through additional own funds and/or through appropriate coverage of professional indemnity insurance. The ACD satisfies its obligations to cover Professional Liability Risks in relation to the Funds by maintaining an amount of own funds to meet the capital requirements under the AIFM Directive and complying with the qualitative requirements in the AIFM Directive that address professional liability risks.

Rebate of Fees

The ACD may at its sole discretion (where it is permitted to do so under the Regulations) rebate its initial, or periodic 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.

32 GENERAL

Any complaint should be referred to the ACD at its registered office. If a complaint cannot be resolved satisfactorily with the ACD it may be referred to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. More details about the Financial Ombudsman Service are available from the ACD. The website of the Financial Ombudsman Service is at www.financial-ombudsman.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 Act.

When the investment is a lump sum investment an applicant who is entitled to cancel and does so will not get a full refund of the money paid by him if the purchase price of the shares falls before the cancellation notice is received by the ACD, because an amount equal to such fall (the "**shortfall**") will be deducted from the refund he 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 ACD on or before the 14th day after the date of receipt of 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 Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY.

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

All notices or documents required to be served on shareholders shall be served by post to the address of such shareholder as evidenced on the register.

The Financial Services Compensation Scheme Limited has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The ACD will supply you with further details of the scheme on written request to its operating address. Alternatively, you can visit the scheme's website at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme (FSCS), 10th

Floor, Beaufort House, 15 St Botolph St, London EC3A 7QU or via telephone: on 0800 678 1100 or 020 7741 4100.

Documents and information available

Copies of the following documents are available for all purchasers of shares on request, free of charge from the ACD at Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY:

- Latest version of the Prospectus;
- Latest version of the Instrument;
- Latest annual and half-yearly long reports applying to the Funds; and
- The ACD Agreement.

The above documents are also available for inspection on any Business Day during normal business hours at the offices of the ACD.

This Prospectus

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any materially significant change in the matters stated herein 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.

Governing Law

The Company, the Instrument, this Prospectus and any matters arising out of or in connection with a shareholder's investment in the Company and the establishment, management and administration of the Company shall be governed by and construed in accordance with the laws of England and Wales. The rights of the shareholders and the construction and effect of the provisions of the Instrument and this Prospectus shall be subject to the exclusive jurisdiction of the courts of England and Wales.

Data Protection Notice

Investors should note that all personal data contained in any document provided by Shareholders or any further data collected in the course of business with the Fund or provided personally to Maitland Institutional Services Limited ("Maitland") constitute personal data within the meaning of the Data Protection Act 2018, the General Data Protection Regulation (Regulation (EU) 2016/679, the EU ePrivacy Directive 2002/58/EC (as amended) and any relevant transposition of, or successor or replacement to, those laws (together the "Data Protection Legislation").

Such personal data will be used by the Company for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Fund, its delegates, and agents. Such processing of personal data is required for the performance of tasks that are necessary for the performance of the contract between the Investor and the Company, for compliance with certain legal obligations to which the Company or a Fund is subject or is carried out on as Maitland considers it is within its legitimate interests to do so (the "Grounds for Processing"). Maitland follows strict security procedures as to how prospective investors' personal information is stored and used, and who sees it, to help stop any unauthorised person accessing it.

Investors acknowledge that such personal data are disclosed by the Company, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies on the basis of the above Grounds for Processing and that such entities (the "Fund Partners") may further process (including obtaining, holding, using, disclosing and otherwise processing) the personal data on the basis of the same Grounds for Processing for any one or more of the following purposes:

- to manage and administer the investor's holding in the Company and any related accounts on an ongoing basis;
- to carry out statistical analysis and market research;
- to comply with legal, regulatory and taxation obligations applicable to the investor and the Company; or
- for disclosure or transfer, whether in the United Kingdom or countries outside of the United Kingdom, including, but without limitation, the United States (which may not have the same data protection laws as the United Kingdom), to third parties, including financial advisors, regulatory bodies, auditors and technology providers or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above.

The Company and the Fund Partners may also process investors' personal information where it or they consider there are other legitimate business interests of the Company (including fraud prevention) to necessitate the processing or for any other specific purposes where the investor has given specific consent to the processing (in advance). If an investor has provided explicit consent for their personal data to be processed, the investor shall be entitled to withdraw their consent at any time by contacting Maitland at dataprotectionofficer@maitlandgroup.co.uk. Please note, in particular, in order to comply with the Common Reporting Standard (Please see the section of this Prospectus entitled "Taxation – Common Reporting Standard"), as implemented in the United Kingdom by the International Tax Compliance Regulations 2015, an investor's personal data (including financial information) may be shared with HMRC and other tax authorities.

They in turn may exchange information (including personal data and financial information) with foreign tax authorities (including foreign tax authorities located outside the European Economic Area). Please consult the AEOI (Automatic Exchange of Information) webpage on www.gov.uk for further information in this regard.

Please note that your personal data will be retained by the Company for as long as necessary to fulfil the purposes Maitland collected it for, which, in general terms, is likely to be for the duration of the relevant investment and otherwise in accordance with the Company's legal obligations (e.g. 7 years in the UK). Pursuant to the Data Protection Legislation, investors have a right of access to their personal data kept by the Company, the right to amend and rectify any inaccuracies in their personal data held by the Company and the right to data portability of their personal data by making a request to the Company in writing at dataprotectionofficer@maitlandgroup.co.uk. For further information in relation to your data protection rights refer to the website of the Information Commissioner's Office at <https://ico.org.uk/> and search for "Individual Rights".

Maitland reserve the right to change, modify, add or remove portions of this notice from time to time in our sole discretion, but will inform investors of all material changes. If you have any questions or concerns regarding this notice or Defined Term's practices please contact Maitland at dataprotectionofficer@maitlandgroup.co.uk.

Appendix 1 - Investment and Borrowing Powers

The Company may exercise the full authority and powers permitted by COLL applicable to Non-UCITS Retail Schemes. However, this is subject to the applicable investment limits and restrictions set out in COLL, the Instrument of Incorporation, this Prospectus and each Fund's investment objective and policy.

In accordance with the investment policy of the Funds, the Funds shall primarily invest in units and shares of collective investment schemes, transferable securities and money market instruments issued by public bodies. The capital property attributable to the Funds is therefore required to consist of such investments although investment in other asset classes is also permitted as set out in each Fund's investment policy and in COLL as it applies to Non-UCITS Retail Schemes and as summarised below. Therefore, the capital property of the Funds may at any time consist entirely of such assets or a mixture of such assets as well as investments of other asset classes described below.

Collective Investment Schemes

The Funds may invest up to 100% of the scheme property in units in collective investment schemes established in the United Kingdom, other jurisdictions in the European Union and the Channel Islands.

Not more than 35% in value of the property of the Funds may consist of units or shares in any one collective investment scheme.

The Funds must not invest in units or shares of a collective investment scheme (the "Second Scheme") unless the Second Scheme falls within one of the following categories:-

- (a) a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS directive; or
- (b) a scheme which is a recognised scheme; or
- (c) a scheme which is authorised as a Non-UCITS Retail Scheme; or
- (d) a scheme which is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a Non-UCITS Retail Scheme; or
- (e) any other scheme which does not fall within any of the above categories and in respect of which no more than 20% in value of the property of the scheme (including any transferable securities which are not approved securities) is invested.

The Second Scheme must also operate on the principle of a prudent spread of risk, it should be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes.

Additionally, the participants in the Second Scheme must be entitled to have their units redeemed in accordance with the scheme at a price which relates to the net value of the property to which the units relate and which are determined in accordance with the scheme.

Where shares in more than one Fund are available, the scheme property attributable to a Fund may include shares in another Fund (a "Second Fund"), provided that:

- (a) the Second Fund does not hold Shares in any other Fund of the Company; ; and
- (b) the investing or disposing Fund must not be a feeder UCITS to the Second Fund.

The Funds may invest in shares or units of collective investment schemes which are managed or operated by (or, in the case of companies incorporated under the OEIC Regulations, have as their authorised corporate director) the ACD or an associate of the ACD (including a Second Fund). However, if a Fund invests in units in another collective investment scheme managed or operated by the ACD or by an associate of the ACD, the ACD must pay into the property of that Fund before the close of the business on the fourth business day after the agreement to invest or dispose of units:

- (a) on investment – if the ACD pays more for the units issued to it than the then prevailing creation price, the full amount of the difference or, if this is not known, the maximum permitted amount of any charge which may be made by the issuer on the issue of the units; and
- (b) on a disposal – any amount charged by the issuer on the redemption of such units.

Transferable Securities

The Funds may invest in transferable securities (as defined in COLL) which are admitted to or dealt in on an eligible market (as set out in Appendix 2). Not more than 20% in value of the property of the Funds may consist of transferable securities which are not admitted to or dealt in on an eligible market or which are money market instruments which are liquid and have a value which can be determined accurately at any time.

Not more than 10% in value of the property of the Funds may consist of transferable securities or money market instruments issued by any single body (however, this rule does not apply in respect of transferable securities and money market instruments issued by public bodies).

Up to 5% in value of the scheme property attributable to the Funds may consist of warrants although it is not anticipated that investment in warrants by any Fund will affect the level of volatility of the Fund. Warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene COLL.

Cash and Near Cash

The property of the Funds may consist of cash or near cash to enable:-

- (a) the pursuit of the Fund's investment objective;
- (b) the redemption of units; or
- (c) the efficient management of the Funds in accordance with its objectives or any other purposes which may reasonably be regarded as ancillary to the objectives of the Funds.

The Funds may also hold cash or near cash under certain circumstances such as where there are large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

Cash which forms part of the property of the Funds may be placed in any current or deposit account with the Depositary, the ACD, the Investment Manager or any investment adviser 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 Funds as would be the case for any comparable arrangement affected on normal commercial terms negotiated at arm's length between two independent parties.

During the initial offer period the scheme property of a Fund may consist of cash and near cash without limitation.

Government and Public Securities

The following section applies to transferable securities or approved money market instruments issued or guaranteed by one or more of governments or public bodies ("Such Securities").

Save as set out below, no more than 35% in value of the Scheme Property of a Fund may be invested in Such Securities issued by any one body. Subject to this restriction, there is no limit on the amount which may be invested in Public Securities or in Public Securities issued by any one issuer or of any one issue.

The Company or a Fund may invest more than 35% in value of the Scheme Property in Such Securities issued by any one body provided that:

- the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the relevant Fund;
- no more than 30% in value of the Scheme Property consists of such securities of any one issue;
- the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;
- the disclosures required by the FCA have been made.

The Company or a Fund may invest more than 35% in value of the Scheme Property in Such Securities issued by or on behalf of or guaranteed by any one or more of the following public authorities:

The Government of the United Kingdom or Belgium, France, Germany, Italy, Luxembourg, The Netherlands, Denmark, Ireland, Greece, Spain, Portugal, Austria, Finland, Sweden, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, Romania, and Bulgaria;

The Government of any of Australia, Brazil, Canada, Chile, Egypt, Hong Kong, Japan, Korea, New Zealand, Norway, Singapore, Switzerland, Turkey, United States; or The European Investment Bank.

Money Market Instruments

The Funds may invest in money market instruments which are admitted to or dealt in on an eligible market (as defined in COLL). Not more than 20% in value of the property of the Funds may consist of money market instruments which are not admitted to or dealt in on an eligible market but which are liquid and have a value which can be determined accurately at any time.

Schemes replicating an Index

Any fund may invest up to 20% in shares and debentures which are issued by the same body where the aim of the investment policy of that fund as stated in its most recently published prospectus is to replicate the performance or composition of an index which complies with the following:

- (a) it has a sufficiently diversified composition;
- (b) it must be a representative benchmark for the market to which it refers;
and
- (c) it must be published in an appropriate manner.

The limit may be raised to 35% for a particular scheme, but only in respect of one body and where justified by exceptional market conditions.

Gold

Whilst the Company is permitted to invest in gold, it is currently not intended that the Funds will invest in gold.

Immovable Property

Whilst the Company is permitted to invest in immovable property, it is currently not intended that the Funds will invest in immovable property.

Derivatives

Whilst the Company may invest directly in derivatives and forward transactions as part of its investment policy, the property of the Funds may consist of derivatives or it may enter into forward transactions for the purposes of hedging only.

Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Appendix 2) or an over the counter derivative with an approved counterparty. A counterparty to a transaction in derivatives is approved only if the counterparty is an eligible institution or an approved bank or a person whose permission (as published in the FCA register), or whose home state authorisation permits it to enter into such transactions as principle of exchange.

The underlying assets of a transaction in a derivative may only consist of any one or more of the following:

- (a) transferable security;

- (b) money market instruments;
- (c) deposits;
- (d) derivatives;
- (e) collective investment schemes;
- (f) financial indices;
- (g) interest rates;
- (h) foreign exchange rates; and
- (i) currencies.

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

Any forward transaction must be made with an eligible institution or an approved bank in accordance with COLL.

Deposits

The property of the Funds may consist of deposits (as defined in COLL) but only if it:

- is with an approved bank;
- is repayable on demand or has the right to be withdrawn; and
- matures in no more than 12 months.

Spread - General

In applying any of the restrictions referred to above:

- (a) not more than 20% in value of the Funds' property may consist of deposits with any single body;
- (b) not more than 10% in value of the Funds' property is to consist of transferable securities or money market instruments issued by any single body (subject to COLL 5.6.23R);
- (c) the exposure to any one counterparty in an over the counter derivative transaction must not exceed 10% in value of the Funds' property.

The Fund may not invest in warrants or nil and partly paid securities unless the investment complies with the conditions in COLL 5.2.17R.

Borrowing

Subject to the Company's Instrument of Incorporation and COLL (as it relates to Non-UCITS Retail Schemes), the Company may borrow money for the purposes of achieving the objectives of the Funds on terms that such borrowings are to be repaid out of the scheme property of the

relevant Fund. The ACD does not anticipate significant use of this borrowing power. Such borrowing may only be made from an eligible institution or approved bank (as defined in COLL). The borrowing of a Fund must not, on any day, exceed 10 per cent of the value of the property of the relevant Fund.

The above provisions on borrowing do not apply to "back to back" borrowing for hedging purposes, being an arrangement under which an amount of currency is borrowed from an eligible institution and an amount in another currency at least equal to the amount of currency borrowed is kept on deposit with the lender (or his agent or nominee).

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

Leverage

The ACD will not employ Leverage in respect of its management of the Funds save where it undertakes certain derivatives and forward transactions for the limited purposes described in this section and subject at all times to the requirements and restrictions set out in the Regulations insofar as they relate to Non-UCITS Retail Schemes. Therefore the Company will not be regarded as a type of fund using Leverage on a substantial basis (as described in the AIFM Directive).

Types and sources of Leverage and circumstances in which Leverage may be used

The Funds may incur Leverage (whether through borrowing of cash or transferable securities, or embedded in derivative positions) in the circumstances, and subject to the provisions, which are set out in this Prospectus. **At present, the Funds will not incur leverage through derivative transactions.**

The Funds will not enter into any collateral and asset reuse arrangements.

Calculation of Leverage

The AIFM Directive prescribes two methodologies for calculating overall exposure of a Fund: the "commitment method" and the "gross method". These are described briefly below.

The commitment method takes account of the hedging and netting arrangements employed by a Fund at any given time. This calculation includes exposure through the use of derivatives, reinvesting cash borrowings, through securities lending or securities borrowing arrangements, or by such other means as may be permitted pursuant to that Fund's investment objectives and policies as set out in this Prospectus. This calculation also includes cash and cash equivalents in the Fund currency.

The gross method calculates exposure in a very similar way to the commitment method but by contrast, it does not take account of the netting or hedging arrangements employed by a Fund. It also excludes from the calculation, cash and cash equivalents in the Fund currency.

Maximum level of Leverage

The Funds are subject to a maximum level of incremental leverage of 10 per cent (or 1:10) under the commitment method and 10 per cent (or 1:10) under the gross method.

For clarification, under AIFMD this means the maximum level of leverage is 110 per cent (or 1.1:1) under the commitment approach and 110 per cent (or 1.1:1) under the gross method.

A leverage ratio of 1 or below indicates a fund is unleveraged whereas a leverage ratio of above 1 means the fund is leveraged.

Risk Management

The Funds may enter into derivative and forward transactions for the purposes of hedging. The following requirements must be satisfied when entering into a transaction for hedging purposes, namely:

- the transaction must be economically appropriate;
- the exposure on the transaction must be fully covered; and
- the transaction must be entered into for either of the following specific aims:
 - (i) the reduction of risk;
 - (ii) the reduction of costs; or
 - (iii) the generation of additional capital or income for a Fund with no, or with an acceptably low level of, risk.

A transaction which is regarded as speculative will not be permitted. A list of the current eligible derivatives markets for each Fund is set out in Appendix 3. Further derivatives markets may be added to the list following consultation with the Depositary in accordance with COLL.

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 the Funds and the ACD has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the relevant provisions in COLL.

Where a transaction is entered into for hedging purposes and relates to the actual or potential acquisition of transferable securities, the ACD must intend that the Funds should invest in such transferable securities within a reasonable time and the ACD must ensure that, unless the position has itself been closed out, that intention is realised within such time.

The ACD uses a risk management process which enables it to monitor and measure on a daily basis the risk of a Fund's derivatives and forwards position and their impact on the overall risk profile of the Funds. This process has been notified to the FCA in accordance with COLL. **The ACD does not anticipate the intended use of derivatives and forwards transactions as set out above to have any detrimental effect on the overall risk profile of the Company or any of the Funds.**

Stock lending

The Fund or the Depositary may enter into a repo contract, or a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 but only if:-

- (a) all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Funds are in a form which is acceptable to the Depositary and are in accordance with good market practice;
- (b) the counterparty is an authorised person, a person authorised by a home state regulator or otherwise acceptable in accordance with COLL; and

- (c) collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above, and is acceptable to the Depositary and must also be adequate and sufficiently immediate as set out in COLL. These requirements do not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

Appendix 2 - Eligible Markets

Set out below are the securities markets through which the Company may invest or deal in approved securities on account of the Funds (subject to the investment objective and policy of each Fund):

- (a) a "regulated market" as defined in COLL;
- (b) a securities market established in any EEA State (which as at the date of this Prospectus includes the UK, Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden and Slovenia) which is regulated, operates regularly and is open to the public; or
- (c) the principal or only market established under the rules of any of the following investment exchanges:

Country	Market
The United States	NYSE Arca NASDAQ OMX BX Chicago Stock Exchange NYSE MKT The Nasdaq Stock Market
United Kingdom	Alternative Investment Market

Eligible Derivatives Markets

Set out below are the derivatives markets through which the Company may deal on account of the Funds (subject to the investment objective and policy of each Fund):

Country	Market
UK	London International Financial Futures and Options Exchange
The United States of America	Chicago Mercantile Exchange
Europe	EURONEXT Amsterdam

Appendix 3 - Performance Information

1st January 11 – 31st December 15, Bid to Bid, UK Basic Rate, Based in UK Sterling

Net Income Reinvested

Name	% Growth 01 Jan 17 to 31 Dec 17	% Growth 01 Jan 16 to 31 Dec 16	% Growth 01 Jan 15 to 31 Dec 15	% Growth 01 Jan 14 to 31 Dec 14	% Growth 01 Jan 13 to 31 Dec 13
MI Downing Diversified Global Managers	12.07	8.80	3.33	6.31	12.77

[†] Source: Morning Star

The value of your units may go down as well as up. Past performance is not a guide to future performance

Target Market for MiFID II:

Type of clients: retail, professional clients and eligible counterparties (subject to the applicable legal and regulatory requirements in the relevant jurisdiction).

Clients' knowledge and experience: investors with at least basic knowledge and experience of funds which are to be managed in accordance with a specific investment objective and policy.

Clients' financial situation with a focus on ability to bear losses: Investors must be prepared to accept fluctuations in the value of capital including capital loss and accept the risks of investing in equity markets, including having the ability to bear 100% capital loss.

Clients' risk tolerance and compatibility of risk/reward profile of the product with the target market: due to the volatility of markets and specific risks of investing in shares in a fund (including those set out in the risk warnings in this Prospectus), investors should have a high risk tolerance. They should be willing to accept price fluctuations in exchange for the opportunity of higher returns.

Clients' objectives and needs: investors should be seeking to invest for the medium to long term who wish to gain access to a portfolio managed in accordance with the specific investment objective and policy of the Fund.

Clients' who should not invest: shares in the Company is deemed incompatible for investors which:

are looking for full capital protection or full repayment of the amount

invested and clients who want a guaranteed return (whether income or capital)

are fully risk averse/have no risk tolerance

need a fully guaranteed income of fully predictable return profile

Distribution channel: This product is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

Best Execution:

The ACD's order execution policy sets out the factors which the ACD expects the Investment Manager to consider when effecting transactions and placing orders in relation to the Company.

This policy has been developed in accordance with the ACD's obligations under the Regulations to obtain the best possible result for the Company. Details of the order execution policy are available on the ACD's website at www.maitlandgroup.com.

Appendix 4 – Further Information

The ACD acts as Authorised Corporate Director, Alternative Investment Fund Manager or Manager of the following other Funds:

MI Activus Wealth Funds
MI Bespoke Funds ICVC
MI Brewin Dolphin Select Managers Fund
MI Brompton UK Recovery Unit Trust
MI Charles Stanley Investment Funds
MI Charles Stanley Investment Funds II
MI Chelverton Equity Fund
The MI Discretionary Unit Fund
MI Downing Investment Funds ICVC
MI Downing UK Micro-Cap Growth Fund
Hansa Trust PLC
MI Hawksmoor Open-Ended Investment Company
MI Metropolis Valuefund
MI Miton Cautious Monthly Income Fund
MI Momentum Investment Funds
MI Thornbridge Investment Funds
MI Somerset Capital Management Investment Funds ICVC
MI TwentyFour Investment Funds
TwentyFour Income Fund
TwentyFour Select Monthly Income Fund
UK Mortgages Limited

The directors of the ACD are:

R Ackermann

P J Foley-Brickley

D Jones

G Kok

No director, other than G Kok, is engaged in any significant business activity not connected with the business of the ACD or other Maitland Institutional Services subsidiaries. G Kok also holds directorships of other companies within the Maitland Group, and is engaged in significant activities within these companies.