THE SENTINEL FUND

PROSPECTUS

Prepared in accordance with the Collective Investment Schemes Sourcebook

01 August 2016

CONTENTS

IMPORTANT: If you are in any doubt about the contents of this Prospectus you should consult the ACD or your authorised financial adviser.

Margetts Fund Management Limited, the Authorised Corporate Director of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Collective Investment Scheme Sourcebook **(COLL)** or the Investment Funds Sourcebook **(FUND)** to be included in it. Margetts Fund Management Limited accepts responsibility accordingly.

1 CONSTITUTION

The Company is an investment company with variable capital incorporated with limited liability and registered in England and Wales under registered number IC000658. It is currently a non-UCITS retail scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The Company is also an Alternative Investment Fund ("AIF") as defined in FUND.

This document constitutes the Prospectus for **The Sentinel Fund**, which has been prepared in accordance with COLL.

This Prospectus is dated, and is valid as at **01 August 2016**

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary. No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, constitute any representation or assurance to the effect that the affairs of the Company have not changed since the date hereof.

The Directors of the Company may apply to register Funds for public marketing in various jurisdictions other than the UK from time to time. As at the date of this Prospectus, The Sentinel Fund is only authorised and registered to market within the UK.

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 Fund to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

THE UNITED STATES OF AMERICA: Shares have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered or sold in the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia or offered or sold to US Persons. The 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", for the purposes of the above paragraph, is a person who is in either of the following two categories:

(a) a person included in the definition of "US Person" under Rule 902 of Regulation S under the 1933 Act, or

(b) a person excluded from the definition of a "Non-United States Person" as used in the US Commodity Futures Trading Commission ("CFTC") Rule 4.7.

For the avoidance of doubt, a person is excluded from this definition of US Person only if they do not satisfy any of the definitions of "US Person" in Rule 902 and qualifies as a "Non-United States Person" under CFTC Rule 4.7.

"US Person" under Rule 902 generally includes the following:

(a) any natural person resident in the United States;

(b) any partnership or corporation organised or incorporated under the laws of the United States;

(c) any estate of which any executor or administrator is a US Person;

(d) any trust of which any trustee is a US Person;

(e) any agency or branch of a non-US entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and

(h) any partnership or corporation if:

    i. organised or incorporated under the laws of any non-US jurisdiction; and

    ii. formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised on incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

If an existing Shareholder becomes a US Person, they may become subject to additional reporting or may be required to redeem their entire holding. See the section entitled 'US Tax Considerations' within this Prospectus for further details. If you are in any doubt as to your status, you should consult your usual authorised financial adviser.

The Depositary is not a person responsible for the information contained in this Prospectus and accordingly does not accept any responsibility under COLL or otherwise.

Shares in the Company are not listed on any investment exchange.

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

The provisions of the Company's Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by Margetts Fund Management Limited.

This Prospectus is based on information, law, regulation and practice at the date hereof. The Company is only bound by the latest version of its Prospectus and therefore, before relying on any information contained in this document, investors should check with the ACD that it is the most recently published Prospectus.

2 DEFINITIONS

'Accumulation Share(s)'	a Share or Shares in the Company (including larger denomination Shares and fractions) where any net income derived from the relevant Fund is retained and accumulated for the benefit of Shareholders and is reflected in the price of each accumulation Share;
'ACD'	Margetts Fund Management Limited, the authorised corporate director of the Company;
'Act'	the Financial Services Act 2012 and the Financial Services and Markets Act 2000, each as amended from time to time;
'AIF'	an 'Alternative Investment Fund'; a collective investment scheme which is authorised by the Financial Conduct Authority and therefore meets the standards set by the Financial Conduct Authority to enable the scheme to be marketed to the public within the UK and which complies with the Alternative Investment Fund Managers Directive';
"AIFM"	Margetts Fund Management Limited, the alternative investment fund manager of the Company;
'AIFMD'	the 'Alternative Investment Fund Managers Directive'; a European Directive that came into force on 22 July 2013, which outlines the regulations and administrative provisions relating to Alternative Investment Funds (as amended from time to time;
'AMC'	the 'Annual Management Charge', a fee paid to the ACD in return for operating and managing the Fund. The charge is not paid directly by the Shareholder; instead it is calculated and deducted from the Fund and is reflected in each day's published Share price;
'COLL'	the Collective Investment Scheme Sourcebook made by the FCA pursuant to the Financial Services and Markets Act 2000, as amended from time to time, which details the requirements for Funds that are not covered by AIFMD;
'Class' or 'Classes'	in relation to Shares, means (according to the context) all of the Shares or a particular class or classes of Share;
'Company'	The Sentinel Fund;
'Dealing Day'	Monday to Friday (excluding UK public and bank holidays);
'Depositary'	BNY Mellon Trust & Depositary (UK) Limited, the Depositary of the Company;
'Dilution Adjustment'	is described on page 15;
'Eligible Institution'	one of certain credit institutions as defined in the First Banking Co-ordination Directive of the European Community (for example, a bank or a building society);
'ESMA Guidelines on ETFs and Other UCITS Issues'	the final guidelines published by the European Securities and Markets Authority dated 18 December 2012;
'FATCA'	the part of the US Hiring Incentives to Restore Employment (HIRE) Act of March 2010 known as the 'Foreign Account Tax Compliance Act'. The act that requires financial institutions to report information on their US Shareholders in order to combat US tax evasion;
'Financial Conduct Authority' or 'FCA'	the Company's regulator and any successor entity;
'Fraction'	a smaller denomination Share (on the basis that a thousand smaller denomination Shares make one larger denomination Share);
'FUND'	the Investment Funds Sourcebook made by the FCA, pursuant to the Financial Services and Markets Act 2000, as amended from time to time, which details the requirements for Funds covered by AIFMD.
'Fund' or 'Funds'	the sub-Funds of the Company (being part of the scheme property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which are invested in accordance with the investment objective applicable to such sub-Fund;
'Hedge Fund'	an alternative investment vehicle available to sophisticated investors (such as institutions) that is designed to protect investment portfolios from market uncertainty, while generating positive returns in both up and down markets.
'ICVC'	Investment Company with Variable Capital, can also be referred to as an 'OEIC' (see below);
'Income Share(s)'	a Share or Shares in the Company (including larger denomination Shares and fractions) where any net income from the relevant Fund is distributed to Shareholders as income payments on the relevant interim and annual allocation dates of that fund;
'In Specie'	a purchase or sale of Shares that is satisfied not by cash but by the transfer of securities or other assets of the Company;
'Investment Adviser'	Premier Fund Managers Limited appointed as investment adviser in relation to the Sentinel Universal Portfolio and the Sentinel Defensive Portfolio sub-funds only; Brooks Macdonald Asset Management Limited in relation to Sentinel Income Portfolio; Kestrel Partners LLP in relation to Sentinel Growth Portfolio and Stonehage Fleming Investment Management Limited in relation to the Sentinel Enterprise Portfolio;
'ISA'	'Individual Savings Account', a tax efficient way to save or invest;
'KIID'	the 'Key Investor Information Document' in relation to each Fund which the ACD is required to produce pursuant to 14.2 of the Conduct of Business Sourcebook;
'Member State'	a member state of the European Community and any other state which is within the European Economic Area;

'Net Asset Value' or 'NAV'	the value of the scheme property of the Company (or of any Fund as the context requires) less the liabilities of the Company (or of the Fund as the context requires) as calculated in accordance with the Company's Instrument of Incorporation;
'NISA'	'new ISA'; the new name for ISAs which took effect from 1 July 2014. NISAs offer increased investment limits and greater flexibility than its predecessor;
'OEIC'	Open Ended Investment Company, can also be referred to as an 'ICVC' (see above);
'OEIC Regulations'	The Open Ended Investment Companies Regulations 2001;
'Register of Shareholders' or 'Register'	a list ("Register") of active owners of Shares in the Company, updated on an ongoing basis as and when Shares are bought and sold;
'Regulations'	the OEIC Regulations and COLL as amended;
'Scheme Property'	the property of the Company required under COLL to be given for safe-keeping to the Depositary;
'Share' or 'Shares'	a Share or Shares in the Company (including larger denomination Shares and fractions);
'Shareholder'	a holder of registered Shares in the Company;
'SID'	'Supplementary Information Document'; the accompanying document to the KIID (see above) providing additional information that prospective investors should be aware of before investing with the ACD;
'Sterling'	pounds Sterling of the United Kingdom;
'Switch'	the exchange of Shares of one Class or Fund for Shares of another Class or Fund;
'UCITS Directive'	the European Parliament and Council Directive of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (as amended from time to time);
'Non-UCITS Retail Scheme'	a collective investment scheme such as the Company which is authorised by the Financial Conduct Authority and therefore meets the standards set by the Financial Conduct Authority 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 enjoy the rights conferred by the UCITS Directive;
'Valuation Point'	the point, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the scheme property or a sub-Fund (as the case may be) for the purpose of determining the price at which Shares of a class may be issued, cancelled, sold, redeemed or exchanged;. The current Valuation Point is 12.00p.m. London time on each Dealing Day with the exception of Christmas Eve and New Year's eve or a bank holiday in England and Wales, or the last business day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary;
'VAT'	value added tax as provided for in the UK's Value Added Tax Act 1994, as amended, and similar sales and turnover taxes in other jurisdictions.

3 DETAILS OF THE COMPANY

The Company is an investment company with variable capital incorporated in England and Wales under registered number IC000658 and authorised by the FCA with effect from 27 March 2008. The Company is a non-UCITS retail scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations.

Shareholders of the Company are not liable for the debts of the Company.

The Head Office of the Company is 1 Sovereign Court, Graham Street, Birmingham, West Midlands B1 3JR, which is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

The base currency of the Company is Pounds Sterling. The maximum size of the Company's share capital is £100,000,000,000 and the minimum size is £1,000.

Operation of the Company is governed by the OEIC Regulations, COLL, the Company's Instrument and this Prospectus.

4 THE STRUCTURE OF THE COMPANY

4.1 THE FUNDS

The Company is structured as an umbrella company so 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 or Class, a revised Prospectus will be prepared setting out the relevant details of each Fund or Class.

Each Fund would be a non-UCITS retail scheme if it were a stand-alone fund directly authorised by the FCA.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Details of the Funds, including their investment objectives and policies are contained within the Fund information pages that follow.

Each Fund has a specific portfolio of assets to which that Fund's assets and liabilities are attributable. So far as the Shareholders are concerned, each Fund is treated as a separate entity.

The assets of each sub-Fund of the Company belong exclusively to that sub-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 sub-Fund of the Company, and shall not be available for any such purpose. This principle is known as 'segregated liability' and was introduced by an amendment to the OEIC Regulations in 2011. Being a relatively new concept, 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 regulations 11A and 11B of the OEIC Regulations.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within the Fund charges will be allocated between Classes in accordance with the terms of the issue of such Shares or such Classes. 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 normally be allocated to all Funds pro-rata to the value of the net assets of the relevant Funds. The Company does not intend to acquire immovable or tangible moveable property.

ISAs

It is intended that all Funds will satisfy the eligibility requirements to be qualifying investments for a stocks and shares component of an ISA and, from 1 July 2014, a NISA.

4.2 SHARES

The classes of Shares which the Company, in accordance with the Instrument, is permitted to issue in respect of each of the Funds, and the classes of Shares which are currently available, are set out within the Fund information pages and shown in Appendix 4. As none of the Funds currently offer a gross Share Class, we do not differentiate between 'net' and 'gross' Shares within the Share Class description. If and when a gross Share Class is launched, we will amend the Share Class description accordingly. Until this time, all Share Classes quoted within this Prospectus relate to 'net' Shares.

Further Share Classes may be established in accordance with the Company's Instrument. The Company is permitted to issue bearer shares but there are no present plans to do so.

Each Income and Accumulation Share is deemed to represent one undivided unit of entitlement in the property of a Fund. Subject to the terms set out in this Prospectus, holders of Shares in a Fund are entitled to receive the net income derived from the Fund and to redeem their Shares at a price linked to the value of the property of the Fund. Shareholders do not have any proprietary interest in the underlying assets of the Fund.

Holders of Income Shares are entitled to be paid any income attributed to such Shares at the relevant interim and annual allocation dates whereas in the case of Accumulation Shares, the net income is not distributed but retained and accumulated for the benefit of Shareholders and this is reflected in the price of such Shares.

Each Class of Share may attract different charges and expenses and so monies may be deducted from Classes in unequal proportions and these are set out in each of the Fund information pages and Appendix 4. In these circumstances the proportionate interests of the Classes within a Fund will be adjusted accordingly.

Shareholders are entitled (subject to certain restrictions) to switch all or part of their Shares in a Class or a Fund for Shares in another Class within the same Fund or for Shares of the same or another Class within a different Fund. Details of this switching facility and the restrictions are set out on page 12.

The Company offers a regular savings facility.

4.3 INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS

Investment of the assets of each of the Funds must comply with COLL, as they relate to non-UCITS retail schemes (and from 22 July 2014 with FUND, as they will relate to Alternative Investment Funds) and the investment objective and policy of the relevant Fund. Details of these investment objectives and policies are set out below.

Derivatives may be used by each of the Funds for investment purposes and for the purposes of efficient portfolio management (including hedging). The use of derivatives may mean that the net asset value of a particular Fund could be subject to volatility from time to time however, it is the ACD's intention that the Funds, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the relevant markets or their underlying investments and therefore it is not anticipated that the use of derivative techniques will alter or change the market risk profile of the relevant Funds.

The eligible securities markets and eligible derivatives markets in which the Funds may invest are set out in Appendix 2. A summary of the investment and borrowing restrictions which apply to the Funds is set out in Appendix 5.

Concentration

The FCA's rules in COLL state that the Company must not at any time hold:

(a) more than 10% of the transferable securities (other than debt securities) issued by a body corporate which do not carry rights to vote on any matter at a general meeting of that body;

(b) more than 10% of the debt securities issued by one issuer;

(c) more than 25% of the units in a collective investment scheme;

(d) more than 10% of the money market instrument issued by a single body.

However the Company need not comply with the limits in (b) to (d) if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

Significant Influence

The Company may only acquire transferable securities issued by a body corporate carrying rights to vote at a general meeting of that body provided that before the acquisition the aggregate number of such securities held by the Company does not allow it to exercise 20% or more of the votes cast at a general meeting of that body and the acquisition will not give the Company such power.

Typical Investor

A typical investor in the Company will understand and appreciate the risks involved in investing in Shares of any of the Funds and the associated risks which are set out on pages 22 to 25. A typical investor will either be an institutional investor or a retail investor who will have received advice from an authorised Financial Adviser.

Historical performance data for each Fund is set out within each of the Fund information pages and has been calculated in accordance with the FCA's Conduct of Business Sourcebook.

5 BUYING AND SELLING

The dealing office of the ACD is open from 9.00 a.m. until 5.00 p.m. on each Dealing Day to receive requests for the sale, redemption and switching of Shares.

Delivery versus Payment (DvP)

When you purchase a unit/share, there is a moment of time at which the investor now owns the unit/share; and a moment of time when the investor's money has passed to Margetts. Similarly when you sell a unit/share, there is a moment of time at which the investor no longer owns the unit/share; and a moment of time when the investor is credited with the value of that unit/share. As purchases and sales are not completed at exactly the same moment in real time (receipt or payment of cheques or bank transfers are not instantaneous), there is a small window of time (generally never more than one business day) when an investor might not own any units/shares, but may also not have the money instead. This is referred to as the 'Delivery versus Payment' (DvP) window. There is a small risk that at that point, the transaction might fail to complete and that an investor might lose the value of the investment.

The Financial Conduct Authority regulates for the protection of client money and requires firms such as Margetts to inform clients that we make use of the DvP exclusion for collective investment schemes. The DvP exclusion permits fund managers such as Margetts to not treat money as client money for a one-day period while carrying out a DvP transaction in the units/shares of a collective investment scheme. If the transaction takes longer than one working day to fully complete, i.e. money for purchases is received early or money for sales remains on account at Margetts awaiting being paid out, then your money will be moved to a segregated client money account until the money is no longer yours (for purchases) or has been paid out by Margetts (for sales). In the unlikely event that Margetts enters into insolvency proceedings before it has segregated such purchase or sales monies as client money, or has applied proceeds for settlement or paid out monies due, then you may neither have any rights to the units/shares nor be protected by the FCA's client money rules.

5.1 BUYING SHARES

Procedure

Shares can be bought by sending a completed application form to the ACD. Applications forms are available from the ACD at 1 Sovereign Court, Graham Street, Birmingham B1 3JR or by telephoning 0345 607 6808.

Alternatively, Shares can be bought by electronic means acceptable to the ACD (see **'Electronic Communications'** below). Where application forms are sent to us by fax or by e-mail, the original application form may also be required. Application forms may be obtained by calling the ACD's Administration Office or from the Fund's website: www.thesentinelfund.co.uk

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

All requests to buy Shares must be accompanied by confirmation that the investor has been provided with the latest copy of the KIID relating to the Fund or Funds in which the investor wishes to purchase Shares.

Where a request to buy Shares has been received but the specific Share Class has not been stated, the ACD will use the investment amount to determine what Share Class to buy, as stated within Appendix 1 and Appendix 3.

Subject to its obligations under COLL, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the right of the applicant. By way of example only, such circumstances may include an inability to provide confirmation that the investor has been provided with the most recent up to date KIID for the Fund or Funds they wish to invest in.

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

Remittances should be in pounds Sterling.

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

5.2 DOCUMENTS THE PURCHASER WILL RECEIVE

A contract note giving details of the Shares purchased and the price used will be issued by the end of the business day following the later of receipt of the application to purchase Shares or the valuation point by reference to which the purchase price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Settlement is due on receipt by the purchaser of the contract note.

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

5.3 MINIMUM SUBSCRIPTIONS AND HOLDINGS

The minimum initial and subsequent investment requirements and the minimum holding requirements applicable to each of the Funds are set out within each of the Fund information pages and Appendix 3.

The ACD may at its discretion accept subscriptions lower than the minimum amounts set out in that Appendix. If a holding is below the minimum holding the ACD has discretion to require redemption of the entire holding.

Where a monthly savings facility is available in respect of certain Share Classes, as shown within the Fund information pages and Appendix 3, the minimum initial monthly subscription for this facility is £100 per Fund.

5.4 SELLING SHARES

Every Shareholder has the right to require that the Company redeem his Shares on any Dealing Day unless the value of Shares which a Shareholder wishes to redeem will mean that the Shareholder will hold Shares with a value less than the required minimum, in which case the Shareholder may be required to redeem his entire holding.

Requests to redeem Shares may be made to the ACD by telephone, fax, in writing or by electronic means acceptable to the ACD (see **'Electronic Communications'** below). Full contact details for the ACD are included within the'Contact Us' section of this Prospectus. Where an instruction to redeem Shares has been given to the ACD by telephone, fax or e-mail, a written instruction signed by all registered Shareholders may also be required before any redemption proceeds can be released.

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

5.5 DOCUMENTS THE SELLER WILL RECEIVE

A contract note giving details of the number and price of Shares sold will be sent to the selling Shareholder (the first-named, in the case of joint Shareholders) together (if sufficient written instructions have not already been given) with a form of renunciation for completion and execution by the Shareholder (and, in the case of a joint holding, by all the joint holders) no later than the end of the business day following the later of the request to redeem Shares or the valuation point by reference to which the redemption price is determined. Settlement in satisfaction of the redemption monies will be issued within four business days of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Shareholders and completed as to the appropriate number of Shares, together with any other appropriate evidence of title, and (b) the valuation point following receipt by the ACD of the request to redeem.

5.6 MINIMUM REDEMPTION

The applicable minimum redemption amounts and minimum holdings in respect of the Funds are set out in within each of the Fund information pages and Appendix 3.

Where a regular withdrawal facility is available in respect of certain Share Classes, also shown within each of the Fund information pages and Appendix 3, the minimum regular redemption for this facility is £50 per Fund. If a holding is below the minimum holding the ACD may require redemption of the entire holding.

5.7 ELECTRONIC COMMUNICATIONS

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

(a) Prior agreement between the ACD and the person making the communication as to:

- The electronic media by which such communications may be delivered; and
- How such communications will be identified as conveying the necessary authority; and

(b) Assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the Shareholder.

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

6 SWITCHING

A holder of Shares in a Fund may at any time switch all or some of his Shares of one Class or Fund (‘Original Shares’) for Shares of another Class or Fund (‘New Shares’), ensuring that dealing minimums are adhered to at all times, as specified within the Fund information pages and Appendix 3. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the valuation point applicable at the time the Original Shares are repurchased and the New Shares are issued. To effect a switch, Shareholders must complete an ‘Application Form to Switch Funds’ which can be obtained from the ACD’s Administration Office or the Fund’s website, as detailed in the ‘Contact Us’ section of this Prospectus. In the case of a joint Shareholding, the ‘Application Form to Switch Funds’ must be signed by all the joint holders. By signing this form, Shareholders are declaring that they have been provided with the latest KIID for each of the Fund or Funds that they are switching into. Without this signed declaration the fund switch cannot take place. Completed switching forms should be submitted to the ACD’s Administration Office, as detailed in the ‘Contact Us’ section of this Prospectus.

The ACD may at its discretion charge a fee on the switching of Shares between Funds and Section 7.7 provides further details.

If the switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Fund concerned, the ACD may, if it thinks fit, convert the whole of the applicant’s holding of Original Shares to New Shares or refuse to effect any switch of the Original Shares. No switch will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended. The general provisions on procedures relating to redemption will apply equally to a switch. A duly completed switching form must be received by the ACD before the valuation point on a Dealing Day in the Fund or Funds concerned to be dealt with at the prices at those valuation points on that Dealing Day, or at such other date as may be approved by the ACD. Switching requests received after a valuation point will be held over until the next day which is a Dealing Day in the relevant Fund or Funds.

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

Please note that a switch of Shares in one Fund for Shares in any other Fund is normally treated as a redemption and sale and will, for persons subject to United Kingdom taxation, normally be a realisation for the purposes of capital gains taxation However, an exchange (switching) between classes of Shares in the same Fund is not usually treated as a redemption and sale and, as such, should not be liable for capital gains taxation.

A switch of Shares between Share Classes may be subject to income equalisation as referred to later on in this Prospectus (see page 37 **‘Income Equalisation’**).

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

7 CHARGES, FEES AND EXPENSES

7.1 PRELIMINARY CHARGE

The ACD may impose a charge on the sale of Shares which is payable in addition to the Share price and is taken from the gross subscription monies. The preliminary charge is payable to the ACD. The current preliminary charges applicable to the Funds are set out within each of the Fund information pages and Appendix 4.

The ACD may waive or discount the preliminary charge at its discretion. If at any time the current preliminary charge applicable to Shares of a Fund is increased, the ACD is required to give not less than 60 days' prior notice in writing to all Shareholders making regular investments before such increase may take effect. The preliminary charge is exclusive of VAT which shall, if applicable, be payable in addition.

7.2 ANNUAL MANAGEMENT CHARGE

In payment for carrying out its duties and responsibilities the ACD is entitled to be paid an annual fee (the "Annual Management Charge" or "AMC") from the scheme property attributed to each Fund. The AMC is accrued on the prior business day's Net Asset Value of the Fund (or, where more than one Share Class is available, on a class by class basis) calculated on a mid-market basis. This charge is accrued daily and payable on, or as soon as is practicable after, the last business day in that calendar month. The current rate of the AMC is set out within the Fund information pages and Appendix 4.

The ACD is also entitled to be reimbursed all reasonable out of pocket expenses incurred in the performance of its duties, including stamp duty on transactions in Shares.

Where the investment objective of a Fund means that the generation of income is a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's and other fees may be charged against capital instead of against income. This will only apply with the approval of the Depositary. In the case of The Sentinel Funds, all fees are charged against income with the exception of the Sentinel Income fund where the annual management charge is taken from the capital account which will increase the amount of income available for distribution but constrain capital growth.

If a Class's expenses in any period exceeds the income in respect of each class, the ACD may deduct that difference from the capital property attributable to that Class. A deduction from the capital property of a Fund may constrain capital growth.

The ACD may not introduce a new category of remuneration for its services or increase the current rate or amount of its remuneration payable out of the scheme property of the Fund or the preliminary charge unless either Shareholders are given at least 60 days' prior written notice or approval of the Shareholders is obtained at an EGM, depending on the nature of the increase in the remuneration.

7.3 INVESTMENT ADVISERS' FEES

The Investment Advisers' fees and expenses (plus any VAT thereon) will be paid by the ACD out of its remuneration under the ACD Agreement (defined in section 13.2 below).

7.4 DEPOSITARY'S FEES, CHARGES AND EXPENSES

The Depositary receives for its own account a periodic fee which will accrue and is due monthly on the last business day in each calendar month in respect of that day and the period since the last business day in the preceding month and is payable as soon as practicable after it has accrued (and in any event within seven days after the day on which it accrues due). The periodic fee is accrued on the prior business day's Net Asset Value of the Fund (or, where more than one Share Class is available, on a class by class basis) calculated on a mid-market basis. The fee is payable out of the property attributable to each Fund.

The rate of the periodic fee is agreed between the ACD and the Depositary. The current rate is 0.05% on the first £50 million, 0.04% on the next £50 million, 0.03% on the next £50 million and 0.02% on the balance, plus VAT in each case. Fees are subject to a minimum of £5,000 plus VAT per annum and a maximum of 0.15%.

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

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

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

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

Transaction charges vary from country to country, dependent on the markets and the value of the stock involved and subject to a current range of £10 to £70 and 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 Dealing Day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges again vary from country to country (usually between 0.01% and 0.07% per annum) depending on the markets and the value of the stock involved and 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 transactions, in relation to a 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 COLL.

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

On a winding up of the Company, 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 or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the agreement with the Depositary.

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

Expenses not directly attributable to a particular Fund will be allocated between Funds pro-rata based on the Net Asset Value of the Funds, although the ACD has discretion to allocate those expenses in a manner it considers fair to Shareholders generally.

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

7.5 ADMINISTRATOR'S AND REGISTRAR'S FEE

The Administrator's fees and expenses (plus any VAT thereon) will be paid by the ACD out of its remuneration under the ACD Agreement, with the exception of the services detailed in 10.9, which the Company may pay out of the property of the Company.

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

These will include but are not limited to any fees, expenses or disbursements in respect of any registrar service detailed below and subject to annual inflationary increases (capped at a maximum of 3% per annum):

- Asset Fees: First two classes: £1,146.02 per annum.
- Additional classes: £684.98
- Management Accounts: £2,578.55 per annum
- Distribution Costs: £526.91 per distribution per share class
- Postal Deals: £14.75
- Telephone Deals: £11.60
- Switches: £28.64 per switch
- Stock Transfers: £22.50
- Electronic Deals: £8

7.6 ALLOCATION OF FEES AND EXPENSES BETWEEN FUNDS

All the above fees, duties and charges (other than those borne by the ACD) will be charged to the Fund in respect of which they were incurred but where an expense is not considered to be attributable to any one Fund, the expense will normally be allocated to all Funds pro-rata based upon the Net Asset Value of the Funds, although the ACD has discretion to allocate these fees and expense in a manner which it considers fair to Shareholders generally.

7.7 SWITCHING FEE

The Company's Instrument authorises the Fund to impose a switching fee. Currently, an amount of up to 1% may be charged. Generally, however, switching of Shares from one Fund to another Fund is free of charge. Any switching fee charged will not exceed an amount equal to the then prevailing preliminary charge for the Class into which Shares are being switched. The switching fee is payable to the ACD. Any VAT on the switching fee will be payable in addition.

7.8 REDEMPTION FEE

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.

7.9 GENERAL FEES AND EXPENSES

At the ACD's discretion the Company may pay out of the property of the Company charges and expenses incurred by the Company, which will include the following expenses:

- Broker's commissions, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Funds and normally shown on contract notes, confirmation notes and difference accounts as appropriate;
- Interest on and other charges relating to permitted borrowings;
- The fees and expenses payable to the ACD (which will include the fees and expenses payable to the Investment Adviser and to the Administrator) and to the Depositary;
- Taxation and other duties payable by the Company including any costs associated with the making of any withholding pursuant to FATCA or other tax agreements;
- Any costs incurred in amending the Company's Instrument including the removal of obsolete provisions;
- Any costs incurred in respect of any meeting of Shareholders including meetings convened on a requisition by holders not including the ACD or an associate of the ACD;
- expenses incurred in acquiring and disposing of investments;
- 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 for 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 any Fund;

- Payments or costs in relation to the preparation and printing of the Prospectus, KIID or SID (either in respect of the Company or each Fund) or any successor or equivalent document required under the Regulations (including the costs incurred as a result of periodic updates of the Prospectus, KIID or SID or any successor or equivalent document) and any other information provided for Shareholders;
- Any costs of printing and distributing annual, half yearly and quarterly reports;
- Any costs incurred as a result of the additional administration surrounding transactions that are unable to be processed due to the absence of the KIID declaration (see the section entitled **'Buying Shares'**);
- Any fees and expenses incurred as a result of the ACD's compliance with EU regulations and any subsequent reporting requirements;
- Any costs of listing the prices of the Funds in publication and information services selected by the ACD;
- Any costs of 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 the Shares in the Company are or may be marketed;
- Costs and expenses incurred in respect of monitoring the use of derivatives by the Funds;
- 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 questions 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 Funds;
- Any amount payable to the Company under any indemnity provisions provided for in the Instrument or any agreement to which the Company is party.

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

Costs, charges and expenses not directly attributable to a particular Fund will be allocated proportionately between all Funds in a manner which is fair to the Shareholders of the Company generally.

Expenses are allocated between capital and income in accordance with COLL.

It is not currently proposed to seek a listing for the Shares on any stock exchange, but if a listing is sought in the future the fees connected with the listing will be payable by the Company.

8 OTHER DEALING INFORMATION

8.1 DILUTION ADJUSTMENT AND LARGE DEALS

The basis on which the Company's investments are valued for the purpose of calculating the issue and redemption price of Shares as stipulated in the FCA Regulations and the Company's Instrument of Incorporation is summarised on pages 19 to 21. The actual cost of purchasing or selling a Fund's 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 a Fund. In order to mitigate this effect, called "dilution", the ACD has the power to apply a "dilution adjustment" (or swing), as defined in the FCA Rules on the issue and/or redemption of Shares in a Fund. A dilution adjustment is an adjustment to the Share price. The ACD shall comply with the FCA Regulations in its application of any such dilution adjustment.

The dilution adjustment for each Fund will be calculated by reference to the estimated costs of dealing in the underlying investments of that Fund, including any dealing spreads, commission and transfer taxes.

The need to apply a dilution adjustment will depend on the volume of sales (where they are issued) or redemptions (where they are cancelled) of Shares. The ACD may apply a dilution adjustment on the issue and redemption of such Shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected, and if applying a dilution adjustment, so far as practicable, it is fair to all shareholders and potential shareholders.

Since dilution is directly related to the inflows and outflows of monies to and from a Fund, it is not possible to accurately predict whether dilution will occur or what dilution adjustment might be made. However, the ACD expects that a dilution adjustment may be required if there are strong inflows in which case the dilution adjustment will increase the price of the Shares. If there are net outflows the dilutions adjustment will reduce the price of the Shares.

If it does occur, it is therefore not possible to predict the amount of dilution adjustment required. If a dilution adjustment is not charged then this may restrict the future growth of the Fund.

The ACD reserves the right not to impose a dilution adjustment in exceptional circumstances where it would, in its opinion, not be in the interests of Shareholders to do so. The ACD's decision on whether or not to make this adjustment, and at what level this adjustment might be made in a particular case or generally, will not prevent it from making a different decision on future similar transactions.

8.2 SDRT PROVISION

This section is based on current law and HM Revenue & Customs' practice which may change.

With effect from 30 March 2014 the 0.5% Stamp Duty Reserve Tax (“SDRT”), a charge which arose on the value of Shares redeemed by the ACD and on certain other transfers of Shares (such redemptions and transfers are known as "surrenders") was abolished.

However, whilst no SDRT charge will arise on pro rata in specie redemptions (redemptions of Shares where the Shareholder receives assets as opposed to cash), as a consequence of the abolishment of SDRT, Shareholders will become subject to a principle SDRT charge on non-pro rata in specie redemptions.

At present, the ACD does not offer pro-rata, or non-pro rata, in specie redemptions and does not intend to in the foreseeable future.

8.3 MONEY LAUNDERING

As a result of legislation in force in the United Kingdom to prevent money laundering and financial crime (Proceeds of Crime Act 2002, Money Laundering Regulations 2007 and relevant guidance notes), the ACD in conducting investment business is responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors and transferees may be asked to provide proof of their identity, date of birth and residency when buying, transferring or selling Shares. We may use electronic checking systems to verify the above, including credit agencies which may keep a record of this information; this will not affect your credit rating and is used only to verify an investor’s identity.

Until satisfactory proof of identity is provided, the ACD reserves the right to refrain from registering an investor’s interest in Shares, or sell Shares. The ACD will not be liable for any share price movements occurring during delays while money laundering checks are carried out. Any information provided will be held and processed by us as data controller for the purposes of the Data Protection Act 1998.

8.4 INTEREST ON CLIENT MONEY

Whilst your investment normally forms part of the assets of the Fund, there may be occasions where money will be held on your behalf in an interest bearing client account. This is most likely if there is a delay in investing your money into the Fund or a delay in paying money to you following you redeeming Shares. In these instances interest will be calculated daily in accordance with the Rules and will be paid six monthly subject to a minimum of £20.

8.5 RECEIVING PAYMENTS FROM THE ACD

There may be times when the ACD is required to make a payment to your Bank or Building Society account. This could be in relation to an income payment that has been generated by your investment or could be a payment following a full or partial redemption of your investment. Regardless of the type of payment, before we can release any monies to you we are required to verify the Bank or Building Society Account in question.

8.6 RESTRICTIONS AND COMPULSORY TRANSFER AND REDEMPTION

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, sale or switching of Shares and in those circumstances will hold the applicant liable, or, if applicable, jointly and severally liable with his agent, for any loss sustained by the ACD.

If it comes to the notice of the ACD that any Shares ("**affected shares**") are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case, or if any Shareholder in the reasonable opinion of the ACD fails to provide information which the ACD requires in order to comply with its obligations under FATCA, the ACD may give notice to the holder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or in the case of Shares affected as a result of FATCA, to a non-US person, or requiring that a request in writing be given for the repurchase of such Shares in accordance with COLL. If any person upon whom such a notice is served does not within 30 days after the date of such notice transfer his affected Shares to a person qualified to own them or establish to the satisfaction of the ACD (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Shares and provide any information reasonably required by the ACD in order to comply with FATCA, he shall be deemed upon the expiration of that 30 day period to have given a request in writing for the redemption of all the affected Shares pursuant to COLL.

A person who becomes aware that he is holding or owns affected Shares in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory, or by virtue of which he is not qualified to hold such affected Shares, shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Shares to a person qualified to own them or give a request in writing for the redemption of all his affected Shares pursuant to COLL.

8.7 'IN SPECIE' REDEMPTIONS

If a Shareholder requests the redemption or cancellation of Shares, the ACD may, where it considers the deal to be substantial in relation to the total size of the Fund concerned, arrange that in place of payment of the price of the Shares in cash, the Company cancels the Shares and transfers scheme property or, if required by the Shareholder, the net proceeds of sale of relevant scheme property, to the Shareholder.

Before the proceeds of the cancellation of Shares become payable, the ACD must give written notice to the Shareholder that the scheme property or the proceeds of sale of scheme property will be transferred to that Shareholder.

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

8.8 ISSUE OF SHARES IN EXCHANGE FOR 'IN SPECIE' ASSETS

The ACD may arrange for the Company to issue Shares in exchange for assets other than money, but will only do so where the Depositary is satisfied that the acquisition by the Company of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

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

The ACD will not issue Shares in any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

8.9 SUSPENSION OF DEALINGS IN THE COMPANY

The ACD may with the prior agreement of the Depositary, and must without delay, if the Depositary so requires, temporarily suspend the issue, cancellation, sale, 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 and/or the Fund's website and/or by other general means sufficient details to keep Shareholders appropriately informed about the suspension including, if known, it's 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.

8.10 THE ACD DEALING AS PRINCIPAL

Where the ACD deals as principal in the Shares of the Company, any profits or losses arising from such transactions shall accrue to the ACD and not to the relevant Fund of the Company.

The ACD is under no obligation to account to the Depositary, or to Shareholders for any profit it makes on the issue or reissue of Shares or cancellation of Shares which it has redeemed.

8.11 GOVERNING LAW

All deals in Shares are governed by English law. The Company is itself constituted under English law.

9 VALUATION OF THE COMPANY

Each Share linked to a Fund represents a proportional Share of the overall property attributable to that Fund. Broadly, the price of a Share is calculated by reference to the Net Asset Value of the Fund to which it relates and dividing that value (or that part of that value attributed to Shares of the class in question) by the number of Shares (of that class) in issue. Valuations of Shares are currently calculated at noon on each Dealing Day (except for Christmas Eve and New Year's Eve) when they are calculated on the next following Dealing Day.

The ACD may at any time during a business day carry out an additional valuation if the ACD considers it desirable to do so. The ACD is required to notify the Depositary if it carries out an additional valuation. Valuations will not be made during a period of suspension (see "**Suspension of Dealings in the Company**" see Section 8.9 above).

10 CALCULATION OF THE NET ASSET VALUE

The value of the scheme property of the Company or of a Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

1. All the scheme property (including receivables) of the Company for a Fund is to be included, subject to the following provisions.

2. Property which is not cash (or other asset dealt with below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

a) units or Shares in a collective investment scheme -
   i. if a single price for buying and selling units is quoted, at the most recent quoted price; or
   ii. if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
   iii. where applicable the fair value price (see below).

b) exchange-traded derivative contracts -
   i. if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
   ii. if separate buying and selling prices are quoted, at the average of the two prices.

c) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary.

d) any other investment -
   i. if a single price for buying and selling the security is quoted at that price; or
   ii. if separate buying and selling prices are quoted, the average of those two prices; or
   iii. where applicable the fair value price of the security (see below).

e) property other than that described above -
   i. at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

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

4. In determining the value of the scheme property, all instructions given to issue or cancel Shares shall be assumed (unless the contrary is shown) to have been carried out and any cash paid or received and all consequential action required by COLL or the Instrument shall be assumed (unless the contrary has been shown) to have been taken.

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

6. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under the paragraph above.

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

8. An estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Company; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT and, stamp duty will be deducted.

9. An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.

10. The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.

11. An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.

12. Any other credits or amounts due to be paid into the scheme property will be added.

13. A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.

14. The total amount of any cost relating to the authorisation and incorporation of the Company and of its initial offer or issue of Shares will be added.

15. Currencies or values in currencies other than base currency or (as the case may be) the designated currency of a Fund shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

16. 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.

17. The Company is permitted to invest in immovable property directly in accordance with the Instrument however currently the Funds will only invest indirectly in immovable property primarily through investing in collective investment schemes and/or property companies which themselves invest directly in immovable property. In the event that the Prospectus is amended to permit the Funds to invest directly in immovable property, such immovable property will be valued in accordance with the following provisions:

   i. by a standing independent valuer (as defined in the glossary to the FCA Rules) appointed by the ACD with the approval of the Depositary, on the basis of an 'open market value' as defined in Practice Statement 3 in the Royal Institute of Chartered Surveyors' Appraisal and Valuation Manual (first edition published September 1995) as updated and amended from time to time;

ii. on the basis of a full valuation with physical inspection (including, where the immovable is or includes a building, internal inspection), at least once a year; and

iii) on the basis of the last full valuation, at least once a month.

Valuations – general points

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

The Funds have credited to them the proceeds of all Shares attributed to them, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or assets deriving from such investments. All liabilities and expenses attributable to a Fund are charged to the relevant Fund.

Fair Value Pricing

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

The circumstances which may give rise to a fair value price being used include no recent trade in the security concerned or the occurrence of a significant event since the most recent closure of the market where the price of the security is taken. In the latter, a significant event is one that means the most recent price of a security or a basket of securities is materially different to the price that it is reasonably believed would exist at the valuation point had the relevant market been open.

In determining whether to use such a fair value price, the ACD will include in its consideration, the type of authorised fund concerned, the securities involved, the basis and reliability of the alternative price used and the ACD's policy on the valuation of scheme property as disclosed in this Prospectus.

11 SHARE PRICE

11.1 PRICE PER SHARE IN EACH FUND AND EACH CLASS

Shares are "single priced". This means that subject to the Dilution Adjustment and the preliminary charge, the price of a Share for both buying and selling purposes will be the same and determined by reference to a particular Valuation Point. The price of a Share 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 the relevant 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 the Fund); and
- dividing the result by the number of Shares of the relevant Class in issue immediately before the valuation concerned.

11.2 PRICING BASIS

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

11.3 PUBLICATION OF PRICES

The most recent Share prices are available at www.margetts.com or by calling 0121 236 2380. For reasons beyond the control of the ACD, prices quoted on external websites and publications may not necessarily be the current Share price.

12 RISK FACTORS

Potential investors should bear in mind that all investment carries risk and in particular should consider the following risk factors before investing in the Company.

12.1 GENERAL RISK FACTORS

Past Performance should not be seen as an indication of future performance. The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. Consequently, the value of Shares in all sub-Funds and the income derived from them can go down as well as up and as a result an investor may not get back the amount originally invested. This can be as a result of market movements and also variations on the exchange rates between currencies. There is also the risk that inflation will devalue the return for investors.

There can be no assurance that any appreciation in value of investments will occur or that the investment objective of any Fund will actually be achieved.

The levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and reliefs may change and their value will depend on the investor's individual circumstances.

There will be a variation in the performance between Funds with similar objectives due to the different assets selected. The degree of the investment risk depends on the risk profile of the Fund in question. Funds aiming for a relatively high performance can incur greater risk than those adopting a more standard investment approach.

12.2 LIQUIDITY

The ACD will always seek to manage the securities held in a Fund with the aim of ensuring that it is able to meet any requests for the redemption of Shares in the Fund in a timely manner. During periods of market stress the ability to sell securities at an acceptable price to meet the redemption of Shares may be reduced. This is referred to as liquidity risk. A large redemption of Shares may force the Fund to sell securities at a depressed price or in an extreme circumstance to suspend the redemption of Shares.

Occasionally a Fund, usually a hedge fund, may apply special liquidity arrangements, such as ‘side pockets’ or ‘gates’, to an investor as a direct consequence of either the illiquid nature of assets held or to restrict withdrawals during a redemption period. The application of these special arrangements would in turn impact the liquidity profile of the Fund. The Funds do not currently hold any assets which are subject to special liquidity arrangements, such as ‘side pockets’ or ‘gates’.

12.3 EFFECT OF PRELIMINARY CHARGE

The ACD’s preliminary charge is deducted from an investment at the outset and an equivalent rise in the value of Shares is required before the original investment can be recovered. Consequently an investor who realises his Shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. Therefore, the Shares should be viewed as a mid to long term investment.

12.4 DERIVATIVES

The Funds may invest in derivatives and forward transactions for hedging purposes to reduce or eliminate risk arising from fluctuations in interest or exchange rates and in the price of investments. The Investment Adviser may enter into certain derivatives transactions, including, without limitation, forward transactions, futures, swaps and options. The values 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 the capital appreciation of such assets. **Derivatives may be used by each of the Funds for investment purposes and for the purpose of efficient portfolio management (including hedging). This may mean that the net asset value of a particular Fund could be subject to volatility from time to time however, it is the ACD's intention that the Funds, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the relevant markets or their underlying investments and therefore it is not anticipated that the use of derivative techniques will alter or change the market risk profile of the relevant Funds**.

Efficient portfolio management enables the Funds to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques which relate to transferable securities and approved money market instruments (as defined in COLL) and which fulfil the following criteria:

(a) they are economically appropriate in that they are realised in a cost effective way;

(b) they are entered into for one or more of the following specific aims;

- (i) reduction of risk and/or;
- (ii) reduction of cost and/or;
- (iii) generation of additional capital or income for the Funds with a risk level which is consistent with the risk profile of the relevant Fund and the risk diversification rules in COLL (as summarised in Appendix 5).

There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to efficient portfolio management. The use of financial derivative instruments may result in losses for investors.

Derivatives contracted with a single counterparty can increase the credit risk exposure of the Fund while those listed on exchanges attract less credit risk exposure. The Fund will be subject to the risk of the inability of any counterparty to perform its obligations. If a counterparty defaults, the Fund may suffer losses as a result. Therefore, the Funds aim to transact using derivatives listed on exchanges to minimise credit risk where applicable. Cash margin is posted in relation to exchange traded derivatives positions. The counterparty for any derivative securities held which are not listed on an exchange, would be an approved credit institution. Counterparty risk exposures will be aggregated across both financial derivative instruments and efficient portfolio management techniques where applicable. The exposure to any one counterparty in a derivative transaction must not exceed 5% in value of the property of the fund; this limit being raised to 10% where the counterparty is an approved credit institution.

The Funds do not currently post or receive collateral since this is not required for the types of securities and derivatives being transacted. Should this situation change, a policy defining eligible collateral, applicable haircuts (and by this we mean the difference between the price at which derivatives are bought and sold in the market) and any additional restrictions deemed appropriate by the ACD will be established prior to any changes being implemented.

12.5 LEVERAGE

The Funds are permitted to use leverage in line with their ability to invest in derivatives and forward transactions for both investment purposes and for the purposes of efficient portfolio management. Leverage enables a fund to increase its risk profile, producing a multiplication effect on positive returns but also increases the potential for larger losses.

European Union legislation has defined two different methodologies for calculating leverage; ‘commitment leverage’ and ‘gross leverage’. These methodologies are designed to provide an indication of how much a fund is using derivatives and/or employing financial engineering structures. Generally, commitment leverage captures the additional exposure from derivatives and financial engineering structures but also allows for the netting off of some exposures which are designed specifically to reduce risks within a fund. Gross leverage is calculated as the sum of the absolute values of all positions; it captures additional exposure from derivatives and financial engineering structures but does not allow for any offsetting of positions designed to reduce risk in a fund.

The Sentinel Defensive Portfolio

The Fund does not currently, and does not envisage in the future, intentionally employing leverage as a part of its investment strategy. However it does invest in some instruments, such as convertible bonds and structured products, which embed derivatives and it utilises derivative hedging instruments. Some of these hedging instruments do not meet all the commitment leverage methodology requirements for them to be offset against the positions they are hedging. The majority of derivative hedging instruments are held to offset interest rate, currency and general equity exposures, reducing the risks the Fund is exposed to. In addition, the Fund may experience a small amount of leverage when using its permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. Consequently, the maximum leverage of the Fund calculated using the ‘commitment leverage’ methodology and “gross leverage” methodology has therefore been set at 1.5:1 and 2:1 respectively.

The Fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. The Fund does post or receive margin payments on exchange traded products. Furthermore, as the Fund’s exposures are typically small, it does not post or receive collateral in relation to other derivatives or currency forward positions. If the exposures were to increase, the Fund may use collateral to reduce exposure to counterparties.

The Sentinel Universal Portfolio

The Fund does not currently, and does not envisage in the future, intentionally employing leverage as a part of its investment strategy. However it does invest in some instruments, such as structured products, which embed derivatives and therefore may increase the leverage of the Fund. In addition, the Fund may experience a small amount of leverage when using its permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the Fund calculated using the ‘commitment leverage’ methodology has therefore been set at 1.2:1. The maximum leverage of the Fund calculated using the ‘gross leverage’ methodology has also been set at 1.2:1.

The Fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. Nor does the Fund post or receive margin or collateral.

The Sentinel Enterprise Portfolio

The Fund does not currently and does not envisage in the future intentionally employing leverage as a part of its investment strategy. The Fund may experience a small amount of leverage when using its permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the Fund calculated using the ‘commitment leverage’ methodology has therefore been set at 1.1:1. The maximum leverage of the Fund calculated using the ‘gross leverage’ methodology has also been set at 1.1:1.

The Fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. Nor does the Fund post or receive margin or collateral.

The Sentinel Income Portfolio

The Fund does not currently, and does not envisage in the future, intentionally employing leverage as a part of its investment strategy. However it does invest in some instruments, such as convertible bonds and structured products, which embed derivatives and it utilises derivative hedging instruments. Some of these hedging instruments do not meet all the commitment leverage methodology requirements for them to be offset against the positions they are hedging. The majority of derivative hedging instruments are held to offset interest rate, currency and general equity exposures, reducing the risks the Fund is exposed to. In addition, the Fund may experience a small amount of leverage when using its permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. Consequently, the maximum leverage of the Fund calculated using the ‘commitment leverage’ methodology and “gross leverage” methodology has therefore been set at 1.5:1 and 2:1 respectively.

The Fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. The Fund does post or receive margin payments on exchange traded products. Furthermore, as the Fund’s exposures are typically small, it does not post or receive collateral in relation to other derivatives or currency forward positions. If the exposures were to increase, the Fund may use collateral to reduce exposure to counterparties.

The Sentinel Growth Portfolio

The Fund does not currently and does not envisage in the future intentionally employing leverage as a part of its investment strategy. However the manager may hedge foreign currency exposure and also hedge mainstream currencies as a proxy for other currencies which are believed to be closely correlated but will not meet all the commitment leverage methodology requirements for then to be offset against the positions they are hedging. The Fund may experience a small amount of leverage when using its permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the Fund calculated using the ‘commitment leverage’ methodology has therefore been set at 1.5:1. The maximum leverage of the Fund calculated using the ‘gross leverage’ methodology has also been set at 2:1.

The Fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. Nor does the Fund post or receive margin or collateral.

Leverage by Fund, as at 30 June 2015

FUND	Commitment Leverage		Gross Leverage	
	Actual	Max. Limit	Actual	Max. Limit
Sentinel Universal Portfolio	1	1.2	1	1.2
Sentinel Enterprise Portfolio	1	1.2	1	1.2
Sentinel Defensive Portfolio	1.27	1.5	1.26	2
Sentinel Income Portfolio	No data	1.5	No data	2.0
Sentinel Growth Portfolio	No data	1.5	No data	2.0

The Funds have not granted any guarantees in relation to leveraging arrangements or any rights to reuse collateral.

Leverage is expressed as a ratio therefore as an example; a ratio of 1:2 is equivalent to 200% exposure.

No Data for Sentinel Income Portfolio and Sentinel Growth Portfolio as Funds not trading until 03 August 2015.

12.6 FIXED INTEREST SECURITIES

Fixed interest securities (such as bonds) 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. The liquidity of many fixed interest securities issued by corporations or banks, in particular those issued by less well capitalised companies, is likely to be particularly reduced during times of market stress reducing the ability of the ACD to sell holdings at an acceptable price and in a timely manner.

12.7 CURRENCY EXCHANGE RATES

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment.

12.8 EMERGING MARKETS

Where Funds invest in some overseas markets, these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities. Investment in emerging markets may involve a higher than average risk.

Investors should consider whether or not investment in such Funds is either suitable for, or should constitute a substantial part of, an investors portfolios.

The following points may apply to companies that are the subject of investment in emerging markets:

(a) They may not be subject to accounting, auditing and financial reporting standards, practices in disclosure requirements comparable to those applicable to companies in major markets;

(b) They may not be subject to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets. Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions;

(c) Restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Funds and, as a result, limit investment opportunities for the Funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets;

(d) The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investment;

(e) A lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

12.9 FINANCIAL INDICES

The Funds may invest in securities embedding exposure to financial indices. Any such index must meet the regulatory requirements including being sufficiently diversified, having a clear objective, not relating to a single commodity or concentration of related commodities, being an adequate benchmark for the relevant market, having clear guidelines for the selection of index components, being replicable, having the calculation methodology pre-determined and published, rebalancing at an appropriate frequency, being subject to an independent valuation, not permitting retrospective changes, not permitting payments from potential index components for inclusion in the index, and having the index constituents and weightings published. The ACD has risk management procedures in place to ensure that any securities embedding exposure to a financial index meet all of the required regulations.

12.10 CONFLICTS OF INTEREST

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

12.11 SUSPENSION OF DEALINGS IN SHARES

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see **'Suspension of Dealings in the Company'** on page 17).

12.12 STRUCTURED PRODUCTS

For the purposes of the FCA's rules structured products may be regarded as either transferable securities, collective investment schemes or derivatives depending on the product in question. The common feature of these products is that they are designed to combine the potential upside of market performance with limited downside. Structured products typically are investments which are linked to the performance of one or more underlying instruments or assets such as market prices, rates, indices, securities, currencies and commodities and other financial instruments that may introduce significant risk that may affect the performance of the Funds.

However, in addition to providing exposure to the asset classes described in the investment objective, the intention is that the use of structured products in the context of the Funds should assist with keeping the volatility levels of the Funds relatively low.

12.13 INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

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 realistic.

The Funds may be invested in other collective investment schemes which charge fees related to the performance of the fund in question. This may reduce the performance of the relevant fund.

12.14 ZERO DIVIDEND PREFERENCE SHARES

The Sentinel Defensive Portfolio may invest in zero dividend preference shares. Historically zero dividend preference shares proved to be a lower risk investment than more traditional shares. However, serious falls in stockmarket levels can produce material changes to their structure. Most are now regarded as lower risk investments than other equities. Where a fund invests heavily in securities (including zero dividend preference shares) which may be subject to significant levels of borrowing, often known as 'gearing', it may be vulnerable to sudden and large falls in value which may result in no realisable value if there is a sufficiently large fall in value of the underlying investments subject to gearing.

12.15 CHARGES TO CAPITAL

Where the objective of a Fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's fee (and any other charges) may be charged against capital instead of income. This may result in capital erosion or constrain capital growth.

Currently, none of the Funds charge expenses to capital.

12.16 LIABILITIES OF THE COMPANY

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

12.17 RISK MANAGEMENT

The ACD uses a risk management process, as lodged with the FCA, enabling it to monitor and measure as frequently as appropriate the risk of a Fund's positions, including derivatives where appropriate, and their contribution to the overall risk profile of the Fund. It provides a range of risk analytical tools, including commitment calculations and stress testing. In addition to risk analytics, the system has an integrated regulatory compliance function which performs checks on potential trades at the point of executing them. The ACD has a formal structure of oversight committees who review the risk profile, including market, credit, operational and liquidity risks, of each fund and the fund’s compliance with its published objectives on a regular basis.

The ACD has notified the FCA of the details of its Derivative Risk Management Processes, including the methods for estimating risks in derivative and forward transactions and the types of derivatives and forwards that will be used within the Funds together with their underlying risks and any relevant quantitative limits. The ACD will notify the FCA in advance of any significant changes to its risk management processes.

A description of the current risk profile for each of the Funds is published on the current KIID which can be found on the Fund’s website, as detailed within the ‘Contact Us’ section of this Prospectus.

Liquidity Risk Management

The ACD monitors the liquidity profile of each Fund on a regular basis to ensure that it will be able to meet any redemptions in a timely manner. The liquidity risk management process includes an assessment of the turnover, percentage of an issue held and/or the buy- sell spread of the market in the securities held by the Fund where the information is available and is applicable. Stress tests under both normal and exceptional conditions are conducted on a regular basis. If market liquidity is perceived to be decreasing, the ACD might seek to take any of the following actions to improve the liquidity profile of a Fund: maintain higher cash balances; maintain a greater proportion of assets in securities which are traditionally more liquid; diversify the range of issue types and sizes held; hold shorter dated securities; or hold issues with a more diverse shareholder base.

12.18 FOCUSED PORTOLIOS

Where a Fund uses a ‘focused portfolio’ to achieve its investment objective it may invest in fewer investments or use fewer markets than other Funds and consequently, the risk associated with a focused portfolio may be greater as fluctuations in the value of one investment may have a greater impact on the value of the Sub-fund as a whole.
Sentinel Enterprise Portfolio uses a focused portfolio.

13 MANAGEMENT AND ADMINISTRATION

13.1 AUTHORISED CORPORATE DIRECTOR AND ALTERNATIVE INVESTMENT FUND MANAGER

The Authorised Corporate Director of the Company is Margetts Fund Management Limited, which is a private company limited by shares incorporated in England and Wales on 12 February 2001 with company number 04158249. The ACD is also the Company's Alternative Investment Fund Manager ("AIFM") as defined in FUND.

The ACD's Registered Office and Head Office is 1 Sovereign Court, Graham Street, Birmingham B1 3JR. This is the address at which notices or other documents may be served on the Company.

Issued and Paid Up Share Capital: 273,000 Ordinary £1 shares

Margetts Fund Management Limited is also the ACD of the following ICVCs:

- Margetts Greystone ICVC
- Margetts Greystone Cautious Managed Fund
- MGTS Greystone Conservative Fund
- MGTS Frontier ICVC
- MGTS Future Money ICVC
- MGTS Ardevora ICVC
- MGTS St. Johns Property Fund
- MGTS AFH Tactical Core Fund
- MGTS Clarion Portfolio Fund
- The Sentinel Fund
- MGTS IBOSS Fund

and as manager for the following authorised unit trusts:-

- Margetts International Strategy Fund
- Margetts Providence Strategy Fund
- Margetts Select Strategy Fund
- Margetts Venture Strategy Fund
- Margetts Opes Growth Fund
- Margetts Opes Income Fund.

The ACD is authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. The ACD is responsible for managing and administering the Company's affairs in compliance with COLL. The ACD may provide investment services to other clients and funds and to companies in which the Company may invest in accordance with COLL and the OEIC Regulations.

Directors of Margetts Fund Management Limited: T.J. Ricketts, T.H. Ricketts, A.J.M Quy, J.E.J Clay, M.D Jealous, A.S. Weston. Non-Executive: G.M.W. Oakley, J.M. Vessey

No executive director is engaged in any significant business activity not connected with the business of the ACD or other Margetts Holdings Limited subsidiaries.

13.2 TERMS OF APPOINTMENT

The ACD was appointed by an agreement dated 22 September 2014 between the Company and the ACD (the "ACD Agreement"). The ACD Agreement provides that the appointment of the ACD is for an initial period of three years and thereafter may be terminated upon one years' written notice by either the ACD or the Company, although in certain circumstances the ACD Agreement may be terminated forthwith by notice in writing by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. Termination cannot take effect until the FCA has approved the appointment of another authorised corporate director in place of the retiring ACD.

The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement. The ACD Agreement provides indemnities to the ACD other than for matters arising by reason of its negligence, default, breach of duty or breach of trust in the performance of its duties and obligations.

The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it makes on the issue or re-issue of shares or cancellation of shares which it has redeemed. The fees to which the ACD is entitled are set out in page 13.

The main business activities of the ACD are the provision of discretionary investment management services to retail clients and professional clients and acting as a manager to OEICs and authorised unit trusts.

A copy of the contract of service between the ICVC and the ACD is available to shareholders on request by contacting the ACD at their registered office.

13.3 THE DEPOSITARY

The Depositary of the Company is BNY Mellon Trust & Depositary (UK) Limited, a private company limited by shares incorporated in England and Wales on 25 June 1998. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered and head office of the Depositary is The Bank of New York Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA. The principal place of business is One Canada Square, London E14 5AL.

The principal business activity of the Depositary is acting as a trustee and depositary of collective investment schemes. The Depositary is authorised and regulated by the FCA.

The Depositary is responsible for the safekeeping of all the Scheme Property (other than tangible moveable 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 FCA Regulations relating to the pricing of, and dealing in, Shares and relating to the income and the investment and borrowing powers of the Company.

Subject to the FCA Regulations and the agreement between the Company and the Depositary dated 22 September 2014, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) all or any part of its duties as depositary. The Depositary has appointed the Bank of New York Mellon SA/NV, London Branch, to act as custodian of the Scheme Property (the "Custodian").

The appointment of the Depositary has been made under an agreement between the Company, the ACD and the Depositary, as amended from time to time (the "Depositary Agreement"). The Depositary Agreement may be terminated by not less than three months' prior written notice provided that no such notice will take effect until the appointment of a successor to the Depositary.

To the extent permitted by the FCA Regulations, the Company will indemnify the Depositary (or its associates) against costs, charges, losses and liabilities incurred by it (or its associates) in the proper execution, or in the purported proper execution, or exercise (reasonably and in good faith) of the Depositary's duties, powers, authorities and discretions, except in the case of any liability for a failure to exercise due care and diligence in the discharge of its functions.

13.4 THE INVESTMENT ADVISER

The ACD has appointed:

- Premier Fund Managers Limited to provide investment management and advisory services to the ACD in respect of the Sentinel Universal Portfolio and the Sentinel Defensive Portfolio.
- Brooks Macdonald Asset Management Limited to provide investment management and advisory services to the ACD in respect of the Sentinel Income Portfolio.
- Kestrel Partners LLP to provide investment management and advisory services to the ACD in respect of the Sentinel Growth Portfolio.
- Stonehage Fleming Investment Management Limited to provide investment management and advisory services to the ACD in respect of the Sentinel Enterprise Portfolio

13.5 TERMS OF APPOINTMENT

The agreements under which Premier Fund Managers Limited, Brooks Macdonald Asset Management Limited, Stonehage Fleming Investment Management Limited and Kestrel Partners LLP are appointed as Investment Adviser to the Fund are governed by English Law and subject to the jurisdiction of the English Courts. The Investment Advisory Agreement between the ACD and the Investment Adviser may be terminated on written notice by the Investment Adviser or the ACD upon 12 months' notice the earliest termination date being two years from the date of appointment. After the initial period has expired either party may terminate on six months' written notice. In accordance with COLL, the ACD may terminate this agreement at any time with immediate effect where it is in the interests of the Shareholders to do so.

Under the Investment Advisory Agreement the ACD provides indemnities to the Investment Adviser (except in the case of any matter arising as a direct result of its fraud, negligence, default or bad faith). The ACD may be entitled under the indemnities in the ACD Agreement to recover from the Company amounts paid by the ACD under the indemnities in the Investment Advisory Agreement.

The principal activity of each Investment Adviser is acting as an investment manager and adviser.

The Investment Adviser is authorised and regulated by the Financial Conduct Authority. The Investment Adviser's duties under the Investment Advisory Agreement include making recommendations and advising the ACD on matters of policy (including advice on borrowing); searching out and evaluating investment opportunities; analysing the performance of companies in which assets have been invested; considering and effecting the purchase or sale of particular assets and payments into and withdrawals from accounts maintained by the Depositary; and ensuring that assets are managed in compliance with all applicable laws and regulations.

The ACD has delegated to the Investment Adviser all rights and powers as are necessary for the discharge by the Investment Adviser of its duties under the Investment Advisory Agreement, and the Investment Adviser is authorised to make decisions on behalf of the ACD in relation to the management, purchase, sale, retention, exchange or other dealings with assets, and has full discretion to make such investments on such markets at such times as the Investment Advisers thinks fit and otherwise to act as it shall deem appropriate.

Under the Investment Advisory Agreement the Investment Adviser may delegate to any person the performance of its duties and services required to be performed by it under that Agreement.

13.6 ADMINISTRATOR AND REGISTRAR

The ACD has delegated the role of administrator and registrar for the Company to Margetts Fund Management Limited.

The Registrar is authorised and regulated by the Financial Conduct Authority. Its registered office is at 1 Sovereign Court, Graham Street, Birmingham B1 3JR.

13.7 THE AUDITOR

The auditor of the Company is Shipleys LLP of 10 Orange Street, London WC2H 7DQ.

13.8 REGISTER OF SHAREHOLDERS

The Register of Shareholders is maintained by the Registrar and may be inspected by any Shareholder, or any Shareholder's duly authorised agent, at the registered office address of the ACD 1 Sovereign Court, Graham Street, Birmingham B1 3JR between 9 a.m. and 5 p.m. each weekday (excluding UK bank holidays).

13.9 MARKETING

The drawing up of marketing literature is carried out by the ACD.

13.10 CONFLICTS OF INTEREST

Subject to compliance with COLL, the ACD, the Investment Adviser and other companies within the Margetts 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 Company. It is therefore possible that the ACD and/or the Investment Adviser may in the course of their business have potential conflicts of interest with the Company. Each of the ACD and the Investment Adviser will, however, have regard in such event to its obligations under the ACD Agreement and the Investment

Advisory Agreement respectively and, in particular, to its obligation to act in the best interests of the Fund so far as practicable, having regard to its obligations to other clients when undertaking any investment where potential conflicts of interest may arise.

At the request of the ACD, the Depositary or any associate of the Depositary, or the Investment Adviser may (subject to COLL) hold money on deposit from, lend money to, or engage in stocklending transactions in relation to the Company, so long as the services concerned are provided on arm's length terms.

The Depositary, the ACD, or the Investment Adviser or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company provided the applicable provisions of COLL apply and are observed. Any such transactions will be at the request of the Company or the ACD.

Subject to compliance with COLL, the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested. The ACD is entitled at its own discretion to determine the terms of its appointment as such and consequently amend the terms of the Administration Services Agreement referred to in paragraph 13.2 above.

The Depositary may, from time to time, act as the Depositary of other companies.

The Depositary, the ACD, or the Investment Adviser or any associate of any of them will not be liable to account to the Company or any other person, including the holders of Shares or any of them, for any profit or benefit made or derived from or in connection with:

(a) their acting as agent for the Company in the sale of purchase of property to or from the Funds; or

(b) their part in any transaction or the supply of services permitted by COLL; or

(c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

A copy of the ACD’s current ‘Conflicts of Interest’ policy can be obtained from the ‘Important Information’ section of the ACD’s website, which is detailed within the ‘Contact Us’ section of this Prospectus.

14 INSTRUMENT OF INCORPORATION

The Company's Instrument of Incorporation (the "Instrument") is available at the ACD's Head Office, as detailed within the 'Contact Us' section of this Prospectus and contains provisions to the following effect:

14.1 SHARE CAPITAL

(a) The Company may from time to time issue Shares of different Classes, and the Directors may by resolution from time to time create additional Classes in respect of a Fund (whether or not falling within one of the Classes in existence on incorporation).

(b) The Directors may by resolution from time to time create additional Funds with such investment objectives and such restrictions as to geographic area, economic sector, monetary zone or category of transferable security and denominated in such currencies as the Directors from time to time determine.

(c) The special rights attaching to a Class are not (unless otherwise expressly provided by the conditions of issue of such Shares) deemed to be varied by:

(i) the creation, allotment or issue of further Shares of any Class ranking pari passu with them;

(ii) the switch of Shares of any Class into Shares of another Class; or

(iii) the creation, allotment, issue or redemption of Shares of another Class within the same Fund, provided that the interests of that other Class in the Fund represent fairly the financial, contributions and benefits of Shareholders of that Class;

(iv) the creation, allotment, issue or redemption of Shares of another Fund;

(v) the exercise by the ACD of its powers to re-allocate assets, liabilities, expenses, costs or charges not attributable to one Fund or to terminate a Fund; or

(vi) the passing of any resolution at a meeting of another Fund which does not relate to the Fund in which the Class is interested.

14.2 TRANSFER OF SHARES

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

(a) No instrument of transfer may be given in respect of more than one Class.

(b) In the case of a transfer to joint holders, the number of joint holders to whom Shares are to be transferred may not exceed four.

(c) The ACD is not obliged to accept a transfer if it would result in the holder, or transferee, holding less than the minimum holding of Shares in the Class in question.

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

14.3 NUMBER OF DIRECTORS

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

14.4 REMOVAL OF ACD

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

14.5 PROCEEDINGS AT GENERAL MEETINGS

- The Depositary shall nominate the chairman of a general meeting. If the nominated chairman is not present or declines to take the chair, the Shareholders may choose one of their number to be chairman.
- The chairman of any quorate meeting may with the consent of the meeting adjourn the meeting from time to time (or without date) and from place to place, and if he is directed by the meeting to adjourn he must do so. No business can be transacted at an adjourned meeting which might not lawfully have been transacted at the meeting from which the adjournment took place.
- The Shareholders have rights under COLL to demand a poll. In addition to these, a poll may be demanded by the chairman of the meeting or by the ACD on any resolution put to the vote of a general meeting.
- Unless a poll is required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book or computer record of proceedings will be conclusive evidence of that fact. If a poll is required, it shall be taken in such manner as the chairman may direct.
- The chairman may take any action he considers appropriate for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

14.6 CORPORATIONS ACTING BY REPRESENTATIVES

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

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

14.8 INDEMNITY

The Instrument contains provisions indemnifying the ACD, the auditor and the Depositary against liability incurred in defending any proceedings (whether civil or criminal) for negligence, default, breach of duty or breach of trust in relation to the Company, in which judgment is given in their favour, or they are acquitted, for example. Such indemnity will not apply where any such liability is recovered from another person.

The ACD has systems and controls in place to appropriately identify, measure, manage and monitor operational risk. The ACD maintains Professional Indemnity Insurance to cover civil liabilities for financial services and the ACD includes an amount as part of its regulatory capital resources to cover professional liability risks in accordance with the rules of the FCA.

The ACD also has in place insurance for the benefit of any director, other officer or auditor of the Company against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, and for the benefit of the Depositary against any liability for any failure to exercise due care and diligence in the discharge of his functions in respect of the Company.

15 SHAREHOLDER MEETINGS AND VOTING RIGHTS

15.1 ANNUAL GENERAL MEETING

In accordance with the OEIC Regulations the Company has elected to dispense with the holding of the annual general meeting.

15.2 REQUISITIONS OF MEETINGS

The ACD may requisition a general meeting at any time.

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

15.3 NOTICE AND QUORUM

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

15.4 VOTING RIGHTS

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

On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue at the date seven days before the notice of meeting is deemed to have been served.

A Shareholder 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.

Except where COLL or the Instrument of the Fund require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution to be passed) any resolution required by COLL will be passed by a simple majority of the votes validly cast for and against the resolution.

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.

'Shareholders' in this context means Shareholders on the date seven days before the notice of the relevant meeting was deemed to have been served but excludes holders who are known to the ACD not to be Shareholders at the time of the meeting.

15.5 FUND AND CLASS MEETINGS

The above provisions, unless the context otherwise requires, apply to Class meetings and meetings of Funds as they apply to general meetings of Shareholders but by reference to Shares of the Class or Fund concerned and the Shareholders and prices of such Shares.

16 TAXATION

16.1 GENERAL

The taxation of both the Company and Shareholders in it 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 and applies only to persons holding Shares as an investment. It is not a guarantee to any investor of the tax results of investing in the Company.

In particular, this summary does not take account of particular investors' individual circumstances, does not address the taxation consequences for investors who may be subject to taxation or exchange control in a jurisdiction other than the UK and does not address investors falling into particular categories (such as life insurance companies or employees of entities connected to the Company) which may be subject to special rules.

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

This summary is based on the UK taxation law and HM Revenue & Customs' practice in force at the date of this document, but prospective investors should be aware that the relevant fiscal rules and practice or their interpretation may change.

16.2 THE COMPANY

The UK tax regime applicable to the Company is primarily set out in Chapter 2 of Part 13 Corporation Tax Act 2010 and in the Authorised Investment Funds (Tax) Regulations 2006 SI 2006/964 (the "**Tax Regulations**"). Each Fund is regarded as a separate taxable entity in its own right, and the Company as a whole is not so regarded.

Each Fund is exempt from UK corporation tax on chargeable gains arising on the disposal of its investments, and is not entitled to corporation tax relief on losses which are treated as capital in nature.

The Funds will not be subject to corporation tax on any profits or gains (or be entitled to corporation tax relief for any losses) which they derive from their creditor loan relationships or their derivative contracts, to the extent that those profits, gains or losses are treated as "capital profits, gains or losses". Capital profits, gains or losses for this purpose are those profits, gains or losses arising from such creditor loan relationships or derivative contracts which fall to be dealt with under either the heading "net gains/losses on investments during the period" or the heading "other gains/losses" in the Fund's statement of total return for the accounting period in question.

Each Fund will be subject to corporation tax at a rate equal to the basic rate of income tax, currently 20 per cent, on its taxable income from investments after relief for allowable expenses. Dividend distributions or interest distributions received by a Fund from other authorised investment funds (broadly UK ICVCs and authorised unit trusts) will be taxed in that Fund in accordance with the rules described at paragraph 16.3 below.

However, a Fund is not generally subject to tax on dividends and similar distributions from both UK and non- UK resident companies.

To the extent that a Fund receives income from, or realises gains on investments issued in, foreign countries, it may be subject to withholding tax or other taxation in those jurisdictions and to UK corporation tax on the income.

Where a Fund distributes its income as yearly interest (as to which see paragraph 16.3 below) the amount of income so distributed will be deducted from the income of that Fund in computing its liability to corporation tax.

There is no specific exemption from UK stamp duty for the Company. Broadly speaking, stamp duty is paid on a transaction involving stock or marketable securities, and the rate is 0.5% of the value of the stock or securities. The Company may incur similar taxes in another jurisdiction if it carries out transactions involving that jurisdiction.

16.3 SHAREHOLDERS

ISA Investors:

The current ISA limit for the 2016/2017 tax year allows Shareholders to invest up to £15,240 into an ISA each year.

From 1 July 2014, all ISAs became New ISAs (NISAs). This applies to all existing ISAs and new accounts opened after 1 July 2014.

For Shareholders invested in the Fund via an ISA, no tax liability will arise on any of the income received from the ISA; this includes dividends and interest.

Shareholders will pay no tax on capital gains arising on ISA investments, however losses on ISA investments cannot be allowed for Capital Gains Tax purposes against capital gains outside of the ISA.

Shareholders do not have to declare income or capital gains generated from ISAs.

Direct Investors:

Where an investment is held outside of an ISA, it is known as a 'Direct Investment' and the following taxation terms apply:

Taxation of Distributions

The type of distribution made by a Fund may depend on its investments. Funds which have more than 60 per cent by market value of their investments in "qualifying investments", broadly meaning debt securities, money placed at interest (other than cash awaiting investment), building society shares or holdings in authorised unit trusts or ICVCs with, broadly, more than 60 per cent of their investments similarly invested (**"Bond Funds"**) can make interest distributions or a dividend distribution. Funds which are not Bond Funds can only pay dividend distributions.

It is not the ACD's intention that any of the Fund's sub-Funds will qualify as 'Bond Funds' (as defined above). Instead, the ACD intends that these Funds will make dividend distributions and will not distribute income as interest.

Where a Fund makes dividend distributions, such distributions should be treated in the same way as dividends from a UK resident company. As such they will carry a tax credit of 10% of the total of the net distribution and the tax credit. Each Shareholder should be sent a tax voucher notifying them of the amount of the distribution and of the associated tax credit. Where a Fund makes interest distributions, such distributions should be treated in the same way as interest from a UK resident company. Each Shareholder should be sent a tax voucher notifying them of the amount of the distribution and of any tax deducted.

For Shareholders holding Accumulation Shares, the UK tax treatment will be the same as if they held Income Shares, albeit that they do not receive the income represented by the distribution at the time of that distribution and that income is instead re-invested. Such Shareholders will be treated for UK tax purposes as if they had received the re-invested income and should be issued with tax vouchers accordingly. The same applies to Shareholders who make use of the re-investment facility.

Dividend Distributions

Except for Shareholders within the charge to corporation tax (as explained below), dividend distributions will carry a tax credit equivalent to 10 per cent of the aggregate of the distribution and the tax credit (i.e. one ninth of the amount distributed).

UK resident Shareholders within the charge to income tax who are liable to income tax at the higher rate will be subject to income tax on the gross dividend distributions at 32.5 per cent, but will be able to set the tax credit off against this liability giving an effective 25 per cent rate after the tax credit. From 1 April 2010 individuals with income over £150,000 will be subject to tax on gross dividend distributions at 42.5 per cent, with an effective 36.1 per cent rate after the tax credit. In the case of such Shareholders who are liable to income tax at the basic rate, the 10 per cent tax credit will match the income tax liability in respect of the dividend distribution and there will be no further tax to pay.

Shareholders who are not liable to pay income tax in respect of a dividend distribution, or any part thereof, will not be able to reclaim from HM Revenue & Customs the excess tax credit applicable to that distribution.

For Shareholders within the charge to UK corporation tax and for whom dividend distributions are not treated as a trading receipt, to the extent that the relevant Fund's gross income is not derived from franked investment income, part of the dividend distributions (known as the "unfranked part") will be reclassified as an annual payment received by the Shareholder after a deemed deduction of income tax at the basic rate, currently 20 per cent. Such Shareholders will be subject to corporation tax on the grossed-up amount of the annual payments but will be entitled to a credit for the tax deemed deducted. The deemed deduction may also be the subject of a repayment claim, but such repayment is restricted where the Fund has suffered overseas tax on foreign source income (deemed "foreign tax").

For such a Shareholder, the remaining part of the dividend distribution (the "franked part") will be treated in the same way as a dividend from a UK resident company. As such a Shareholder within the charge to UK corporation tax will not generally be charged to corporation tax on that part.

Details of the proportions of the franked and unfranked parts of dividend distributions comprising franked investment income and annual payments, and of any deemed foreign tax as described above, will be shown on the tax vouchers.

Shareholders who are resident in jurisdictions other than the UK for tax purposes will generally not be charged to UK income tax on a dividend distribution unless they are carrying on a trade in the UK through a permanent establishment. Their tax position is likely to depend on the law and practice on taxation in the jurisdiction in which they are resident. They will not generally be entitled to reclaim the tax credit unless entitled to do so under the terms of any double taxation agreement between that jurisdiction and the UK.

Interest distributions

For Shareholders who are individuals resident in the UK for tax purposes and other Shareholders within the charge to UK income tax, interest distributions will suffer deduction of tax at the basic rate, currently 20 per cent. Such Shareholders will be entitled to use the income tax withheld as a credit against their UK income tax liability. Such withholding will satisfy the liability of basic rate taxpayers to tax on the income. Higher rate and additional rate taxpayers will have additional tax to pay. For Shareholders whose income tax liability is less than the tax withheld, the tax withheld can be the subject of a repayment claim.

Certain categories of Shareholders including ISA investors, pension funds, charities, ISA plan managers and Shareholders subject to UK corporation tax may receive their interest distributions gross, i.e. no tax will be deducted at source, if they demonstrate to the ACD's satisfaction that they fall within one of the specified categories. The tax regime relating to corporate loan relationships is generally applied to interest distributions made to Shareholders subject to corporation tax as if the interest distribution were interest on a loan by such Shareholders to the Fund in question.

For Shareholders who are resident in jurisdictions other than the UK for tax purposes, interest distributions will be paid after deduction of income tax at source at the basic rate, currently 20%, except in the following circumstances:

- where the Shareholder is a company (other than a company which receives the distribution as trustee of a trust);
- where the Shareholder is the trustee of a unit trust scheme;
- where a third party nominee company through which the Shares were purchased is subject to the EC Money Laundering Directive (Directive 91/308/EEC) and the ACD has reasonable grounds for believing that the beneficial owner is not ordinarily resident in the UK; or
- where, broadly, the Shareholder provides a valid declaration that he/she is not ordinarily resident in the UK for UK tax purposes.

Shareholders who are resident in jurisdictions other than the UK for tax purposes and to whom interest distributions are paid after deduction of tax may be entitled to reclaim that UK income tax deducted at source under the provisions of any double tax convention or agreement between the UK and the jurisdiction in which they are primarily subject to tax.

Details of interest distributions paid to individuals other than ISA investors with addresses in the UK and other specified countries must be reported to HM Revenue and Customs by the ACD along with the names and addresses of those individuals. If a payment should be reportable under the EU Savings Directive (see below) that payment will not be reportable under these provisions.

In relation to Accumulation Shares, any deduction of income tax at source is made before the interest distribution is reinvested, thereby reducing the amount reinvested.

Taxation of Capital Gains

Shareholders may, depending on their circumstances, be liable to capital gains tax or corporation tax on chargeable gains arising from a disposal of any Shares. For these purposes, a disposal includes a sale or a redemption of Shares. An exchange ("switching") between classes of Shares in the same sub-Fund is not usually treated as a disposal. However an exchange of Shares in one Fund for Shares in any other Fund will be treated as a disposal and acquisition for those purposes. Proceeds on the redemption of Shares are paid to Shareholders without deduction of tax. For Accumulation Shares, income accumulated and on which income tax or corporation tax on income has been paid can generally be added to the cost of those Accumulation Shares when computing the amount of any gain.

Individual Shareholders who are resident or ordinarily resident in the UK and Shareholders who are UK resident trustees may be liable to UK taxation on chargeable gains arising from a disposal of Shares. A Shareholder who is an individual who was resident or ordinarily resident in the UK for tax purposes and who disposes of shares during the 5 years after he ceases to be so resident or ordinarily resident may also be liable to UK taxation on chargeable gains. Chargeable gains for individuals will be taxed at a rate of 18% to the extent that total income and gains are less than the higher rate income tax threshold and 28 per cent to the extent they exceed it. Each individual has an annual exemption, currently £11,000 (2014/2015 tax year), such that capital gains tax is chargeable only on net gains arising from all sources during the tax year in excess of this figure.

For a Shareholder within the charge to UK corporation tax, the corporation tax treatment on a disposal of its Shares in a Fund differs according to whether the Fund is a Bond Fund (as defined above) or not.

Shareholders who are not within the charge to UK taxation on chargeable gains, which will generally include Shareholders who are resident in jurisdictions other than the UK for tax purposes unless they are carrying on a trade in the UK through a permanent establishment, will not generally be charged to UK tax on gains made on a disposal of Shares. Their tax position is likely to depend on the law and practice on taxation in the jurisdiction in which they are resident.

Income Equalisation

Since the Funds operate income equalisation, the first allocation made after the acquisition of the Shares may include a sum ("equalisation") representing that part of the acquisition price of the Shares which was attributable to income accrued up to the time of acquisition.

This is treated for the purposes of both UK income tax and UK tax on chargeable gains as a refund of capital rather than a receipt of income.

As such it is not liable to income tax. It should however be deducted from the cost of the Shares when computing the base cost for any chargeable gain realised on the subsequent disposal of the Shares. This is the case regardless of whether the Shares in question are Accumulation Shares or Income Shares, and despite the fact that for Accumulation Shares the equalisation amount is re-invested.

A Shareholder who sells Shares part way through a distribution period will receive a price which includes an equalisation element. This equalisation element is taxable as income in the normal way.

EU Savings Directive

The European Union Directive on the Taxation of Savings Income (2003/48/EC) (the "EU Savings Directive") provides that "paying agents" established in a member state of the EU (or certain prescribed dependent or associated territories of member states) which pay "savings income" to individuals resident in another member state (or, depending on the state in which the paying agent is established, possibly also to individuals resident in the prescribed dependent or associated territories) are obliged, depending on the state in which the paying agent is established, either to disclose details of the payment and payee to taxation authorities or to withhold tax from the payment.

For the purposes of the UK's implementation of the EU Savings Directive, the proceeds of a sale, refund or redemption of Shares in the Fund and/or the proceeds represented by a distribution from the Fund may be classed as "savings income". Sale, refund or redemption proceeds will be savings income if more than 25% of the Fund's assets are invested in money debts (40% up to and including 31 December 2010). Distribution proceeds will be savings income if more than 15% of the Fund's assets are invested in money debts.

Under the UK's implementation, where savings income is paid by a paying agent established in the UK to an individual resident in another member state or prescribed territory, the paying agent is obliged to disclose details of the payment to the HM Revenue & Customs. The identity of the relevant paying agent depends on how a Shareholder purchases and holds Shares. For Shareholders who purchase Shares directly, the paying agent is likely to be the ACD.

Consequently, it may be necessary or desirable for the Fund, the ACD or any other person or entity connected to the Fund to collect certain additional information from Shareholders or to take other action connected to the EU Savings Directive to enable disclosures to be made to tax authorities or, where applicable, tax to be withheld.

As a result of the implementation of FATCA (see 'US Tax Considerations' below), amendments to the EU Savings Directive have been suggested by the European Commission in order to extend the scope of the automatic exchange of information to bring the directive in line with FATCA. See also 'Non-UK Tax Considerations' below.

US Tax Considerations

The Bank of New York Mellon (International) Ltd, as administrator, is required to report to the US tax authorities on any US persons to whom it pays distributions and therefore, where a Shareholder wishes to use a registered address in the US, they must declare their tax status using the appropriate Internal Revenue Service ("IRS") form and failure to do so will result in a 30% withholding tax being applied on redemptions and distributions.

Separate to this, FATCA is currently being implemented and aims to combat tax evasion by US tax residents using foreign accounts. It includes certain provisions on withholding taxes and requires financial institutions outside the US to pass information about their US customers/Shareholders to the US tax authorities, the IRS. The UK has signed an Intergovernmental Agreement ("IGA") with the US to aid the implementation of FATCA and to facilitate the exchange of FATCA information between the UK and the US. Under this Agreement, financial institutions will be required to report the required information to HM Revenue & Customs ("HMRC") who in turn will report to the IRS under the general information exchange provisions of the US-UK Income Tax Treaty.

FATCA becomes effective on the 1 July 2014 with the first exchange of information due to take place in March 2015, which will cover the year 2014. Financial Institutions that do not comply with FATCA will have a 30% withholding tax levied ("FATCA Withholding"). In this respect, it is the intention that The Sentinel Fund will comply with the provisions of FATCA and will subsequently not be subject to FATCA Withholding.

Shareholders must provide the ACD with such information, documentation and certifications as shall be required to enable the Company and the ACD to comply with their respective obligations under, and to avoid withholding tax pursuant to, FATCA. Shareholders that fail to do so may be required by the ACD to submit notice in writing for the repurchase of their shares in accordance with COLL.

See also Section 1 ("Constitution") for further details on US Investors.

Non-UK Tax Considerations

Since the implementation of FATCA (see above section entitled **'US Tax Considerations'**), the UK government has signed IGAs with the Crown Dependencies and certain Overseas Territories to exchange information on specified accounts held outside the account holder's country of residence. These rules also come into effect from 1 July 2014 with the first exchange of information currently in 2016. It is fully expected that other Countries will follow the United States' lead and, as a result, the implementation of new legislation is anticipated to try and combat tax evasion in other jurisdictions. The ACD therefore retains the right to request from Shareholders such information, documentation and certification as may be required from time to time in order to fulfil their reporting duties on such matters. Shareholders that fail to do so may be required by the ACD to submit notice in writing for the repurchase of such Shares in accordance with COLL. Where a Shareholder is in any doubt as to their tax status, they should seek advice from a professional tax adviser or their usual authorised financial adviser. As stated in section 19.1, the Taxation section of this Prospectus is based on the UK taxation law and HM Revenue & Customs' practice in force as at the date of this document.

Inheritance Tax

Shares held in any of the Funds will generally form part of an individual's estate and will therefore potentially be subject to inheritance tax (IHT). Shares held by trustees are potentially subject to special rules which may charge IHT periodically.

IHT is chargeable on the death of a person, on gifts made within the seven years before an individual's death and (immediately) on gifts to most types of trusts. The rate of tax is 0% up to a cumulative nil-rate limit. The excess is charged at 20% where the tax is charged during an individual's lifetime and 40% if the tax is charged on or by reference to the individual's death. Where tax is charged both during lifetime and again on death by reference to the same transfer, credit is given for the lifetime tax suffered. For these purposes gifts may include transfers at less than full market value unless the transferor can show that there was no gratuitous intent.

17 WINDING UP OF THE COMPANY OR TERMINATION OF A SUB-FUND

The Company shall not be wound up except as an unregistered Company under Part V of the Insolvency Act 1986 or under chapter 7.3 of COLL. A Fund may only be wound up under COLL.

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

The Company or a Fund may be wound up under COLL if:

- an extraordinary resolution to that effect is passed by Shareholders of either the Company or the Fund (as appropriate); or
- the period (if any) fixed for the duration of the Company or a particular Fund by the Instrument expires, or the event (if any) occurs on the occurrence of which the Instrument provides that the Company or a particular Fund is to be wound up (for example, if the share capital of the Company is below its prescribed minimum or the Net Asset Value of the Fund is less than £50,000, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Fund); or
- on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company or the relevant Fund.

On the occurrence of any of the above:

i. The parts of the FCA Regulations and the Instrument relating to Pricing and Dealing and Investment and Borrowing will cease to apply to the Company or the sub-Fund;

ii. The Company will cease to issue and cancel Shares in the Company or the sub-Fund and the ACD shall cease to buy or sell Shares or arrange for the Company to issue or cancel them for the Company or the sub-Fund;

iii. No transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;

iv. Where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;

v. The corporate status and powers of the Company and subject to the provisions of (i) and (iv) above, the powers of the ACD, shall remain until the Company is dissolved.

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 relevant 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 the Fund (as the case may be) the ACD may arrange for interim distributions(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 each 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, the ACD shall notify the FCA that it has done so. On completion of a winding up, 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.

Following the completion of the winding up of the Company or a particular Fund, the ACD shall notify the FCA that it has done so. Following the completion of a winding up, the ACD must prepare a final account showing how the winding up took place and how the scheme property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder within two months of the termination of the winding up.

18 GENERAL INFORMATION

18.1 ACCOUNTING PERIODS

The annual accounting period of the Company ends on 31 July (the "**accounting reference date**"). The interim accounting period ends on 31 January.

18.2 INCOME ALLOCATIONS

Allocations of income are made in respect of the income available for allocation in each accounting period.

Distributions of income for each Fund are paid on or before the annual income allocation date of 30 September and on or before the interim allocation date of 31 March. A re-investment facility is available.

Distributions of income will be paid by electronic bank transfer unless the ACD and shareholder(s) agree otherwise.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant sub-fund and if no longer in existence then 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.

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

Income on debt securities, such as bonds and other fixed interest securities, is calculated on an Effective Yield basis. The Effective Yield basis treats any projected capital gain or loss on a debt security (when compared to its maturity or par value) as income and this, together with any future expected income streams on the debt security, is written off over the life of that security and discounted back to its present value and included in the calculation of the distributable income.

18.3 INCOME EQUALISATION

Income equalisation is applied to each of the Funds. 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.

18.4 ANNUAL REPORTS

The annual report of the Company (the "**long report**") will be published on or before the end of November each year, and half-yearly reports will be published on or before the end of March each year. Copies of these long form reports may be inspected at, and copies obtained free of charge from the ACD at its operating address. These reports may also be inspected at the Depositary's office during normal office hours.

The ACD will issue short reports in relation to the Funds both half yearly and annually. These will be distributed to Shareholders before the end of November and March each year.

18.5 DOCUMENTS OF THE COMPANY

The following documents may be inspected free of charge between 9.00 a.m. and 5.00 p.m. on every business day at the offices of the ACD, as detailed within the 'Contact Us' section of this Prospectus.

- the latest version of the Prospectus;
- the latest version of the Company's Instrument;
- the ACD Agreement;
- the latest annual and half-yearly long reports; and
- the material contracts referred to below.

Shareholders may obtain copies of the above documents from the ACD's Head Office. Copies of the Prospectus and latest annual reports are available free of charge however the ACD may make a charge at its discretion for copies of the Instrument and material contracts.

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.

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.

Upon the request of a Shareholder, the ACD shall provide certain information supplementary to this Prospectus which relates to:

(a) the quantitative limits which apply in the risk management of the Funds;

(b) the methods used in relation to (a) above; and

(c) any recent development of the risk and yields of the main categories of investment which apply to each Fund.

18.6 MATERIAL CONTRACTS

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

- the Agreement dated 22 September 2014 between the Company and the ACD;
- the Investment Adviser Agreement between the ACD and the Investment Adviser;
- the Depositary Agreement dated 22 September 2014 between the Company, the ACD and the Depositary; and

Details of the above contracts are given under the heading **"Management and Administration"** from page 31.

18.7 TREATING CUSTOMERS FAIRLY

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

18.8 COMPLAINTS

Complaints concerning the operation or marketing of the Company or any of the Funds may be referred to the Compliance Officer of the ACD at the address detailed within the 'Contact Us' section of this Prospectus. If a complaint cannot be resolved satisfactorily with the ACD it may be referred to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. More details about the Financial Ombudsman Service are available from the ACD.

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 Fund's website at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London, E1 8BN.

18.9 MARKET TIMING

The ACD does not permit the Funds to be used for the purposes of 'market timing'. For this purpose market timing is defined as a trading strategy with the intention of taking advantage of short term changes in market prices. The ACD will undertake monitoring activities to ensure that market timing is not taking place in relation to any of the Funds.

18.10 CANCELLATION RIGHTS

A notice of a Shareholder's right to cancel an agreement to purchase Shares in a Fund will be forwarded, where this is required in accordance with the rules made under the Act.

When the investment is a lump sum investment (or the first payment, being larger than the second payment, in a regular payment savings plan) a Shareholder 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 Shareholder 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.

18.11 DATA PROTECTION

The information you provide on your application form (or afterwards) will be held and processed by the ACD as data controller for the purposes of the Data Protection Act 1998.

You acknowledge that the ACD may hold and process the information that the ACD collects to process your application for the supply and administration of the service(s) for which you are currently applying or may apply for in the future, for the operation of your investment (including, for example, for registration and distribution purposes), for the purposes of statistical analysis, to carry out credit assessment to meet the ACD's obligations under any application laws in particular, anti-terrorism and anti-money laundering laws, for customer service, product analysis, for market research purposes, for general account administration purposes and the marketing of goods and services by the ACD or other companies in the Margetts Group.

You agree that the ACD may share your information with third parties in the following circumstances: (a) where the ACD uses your information to carry out credit assessments the ACD will need to share your information with credit reference agencies to assess your eligibility for the product or service applied for and to verify your identity; (b) the ACD may share your information with third parties who the ACD uses to assist it in administering the Company; (c) if the ACD restructures its business or the whole or any part of the ACD's business is sold then the ACD may transfer your information to another division or part of the Margetts Group (if there is a restructuring) or to the buyer of the business (if the business is sold); (d) the ACD may share your Information with its associates, UK and overseas law enforcement agencies or regulatory authorities and other relevant bodies for crime prevention purposes; and (e) the ACD may also share your information with its associates if they provide any products or services to you on the ACD's behalf.

These third parties may be based outside the European Economic Area (EEA). The ACD will take appropriate measures and will meet its legal obligations to ensure that any information transferred to such third parties is kept securely. Where an authorised financial adviser acts on your behalf, the ACD will disclose information concerning your investment to that financial adviser.

Other than as noted above, the ACD will not provide any other third party with any information about you unless you have given your consent or unless the ACD is required to do so by law.

You are entitled to request details of information the ACD holds about you to the extent that it constitutes personal information, upon payment of a reasonable fee (currently £10) and to require us to correct any inaccuracies in your personal data. For more details, please write to the ACD at the Head Office address detailed within the 'Contact Us' section of this Prospectus.

18.12 REMUNERATION

The remuneration policy and, where required by the FCA, how benefits are calculated and details of the remuneration committee can be found on the website: www.margetts.com. A paper copy of this is available free of charge upon request by writing to the compliance officer at 1 Sovereign Court, Graham Street, Birmingham B1 3JR.

APPENDIX 1

Sub-fund information

SENTINEL DEFENSIVE PORTFOLIO

Investment Objective: The investment objective of the Fund is to provide medium term capital growth from a portfolio of investments.

Investment Policy: The investment policy of the Fund is to invest principally in a combination of zero dividend preference shares of quoted investment companies and securities which, in the Investment Adviser's opinion, are lower risk securities. The Fund may also invest in equities, units in collective investment schemes, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investments may be made in immovable property typically through units in collective investment schemes and/or shares of property companies. The Fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the Fund).

Derivatives may be used by the Fund for both investment purposes and for the purposes of efficient portfolio management (including hedging).

Launch Date	13 May 2008		
Classes of Share allowed for within the Company's Instrument and current availability	**Authorised and allowed for:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares		**Currently available:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares
Currency of denomination	GBP Sterling		
Bond Fund	No		
Minimum initial & subsequent investment amounts	 Class A Class B	**Initial investment:** £1,000 £1,000	**Subsequent investment:** £100 £100
Minimum redemption & holding amounts	 Class A Class B	**Minimum redemption:** £100 £100	**Minimum holding:** £1,000 £1,000
Regular savers availability	Yes		
Regular saver minimum investment amount	£100 per month		
Regular withdrawals availability	Yes		
Regular withdrawal minimum amounts and frequency	£50 per month, per quarter, per half-year or per annum (per Fund)		
ISA/NISA eligibility	Yes, available as a Stocks and Shares ISA until 1 July 2014 and available as a NISA thereafter.		
Preliminary and annual management charges (AMC)	 Class A Class B	**Preliminary charge:** 0% 0%	**AMC:** 1.20% 0.45%
Ongoing charges figure (OCF)	See the relevant non-UCITS retail scheme Key Investor Information		
Charges taken from	Income		
Income equalisation	Yes		
DIVIDEND INFORMATION			
	Annual		**Interim**
Accounting Period End	31 July		31 January
XD Date	1 August		1 February
Pay Date (on or before)	30 September		31 March
Frequency of income payments	Half-yearly		

***Please see appendix 7 for past performance information.**

SENTINEL UNIVERSAL PORTFOLIO

Investment Objective: The investment objective of the Fund is to provide capital growth from a portfolio of investments.

Investment Policy: The investment policy of the Fund is to invest mainly in units of collective investment schemes. The Fund may also invest in equities, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investment may be made indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies. The Fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the Fund).

Derivatives may be used by the Fund for both investment purposes and for the purposes of efficient portfolio management (including hedging).

Launch Date	13 May 2008		
Classes of Share allowed for within the Company's Instrument and current availability	**Authorised and allowed for:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares		**Currently available:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares
Currency of denomination	GBP Sterling		
Bond Fund	No		
Minimum initial & subsequent investment amounts	 Class A Class B	**Initial investment:** £1,000 £1,000	**Subsequent investment:** £100 £100
Minimum redemption & holding amounts	 Class A Class B	**Minimum redemption:** £100 £100	**Minimum holding:** £1,000 £1,000
Regular savers availability	Yes		
Regular saver minimum investment amount	£100 per month, per Fund		
Regular withdrawals availability	Yes		
Regular withdrawal minimum amounts and frequency	£50 per month, per quarter, per half-year or per annum (per Fund)		
ISA/NISA eligibility	Yes, available as a Stocks and Shares ISA until 1 July 2014 and available as a NISA thereafter.		
Preliminary and annual management charges (AMC)	 Class A Class B	**Preliminary charge:** 0% 0%	**AMC:** 1.20% 0.45%
Ongoing charges figure (OCF)	See the relevant non-UCITS retail scheme Key Investor Information		
Charges taken from	Income		
Income equalisation	Yes		
DIVIDEND INFORMATION			
	Annual		**Interim**
Accounting Period End	31 July		31 January
XD Date	1 August		1 February
Pay Date (on or before)	30 September		31 March
Frequency of income payments	Half-yearly		

***Please see appendix 7 for past performance information.**

SENTINEL ENTERPRISE PORTFOLIO

Investment Objective: To provide long term growth principally through capital growth as well as income from a portfolio of investments.

Investment Policy: The investment policy of the Fund is to invest into a portfolio of equities selected from the global market place. The portfolio may have a high degree of concentration through holding a limited number of markets or equities which means that the movement of one market or individual share price could have a material impact on the entire Fund. The Fund may also invest in collective investment schemes, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investments may be made indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies. The Fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the Fund).

Derivatives may be used by the Fund for both investment purposes and for the purposes of efficient portfolio management (including hedging).

Launch Date	13 May 2008		
Classes of Share allowed for within the Company's Instrument and current availability	**Authorised and allowed for:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares		**Currently available:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares
Currency of denomination	GBP Sterling		
Bond Fund	No		
Minimum initial & subsequent investment amounts	 Class A Class B	**Initial investment:** £1,000 £1,000	**Subsequent investment:** £100 £100
Minimum redemption & holding amounts	 Class A Class B	**Minimum redemption:** £100 £100	**Minimum holding:** £1,000 £1,000
Regular savers availability	Yes		
Regular saver minimum investment amount	£100 per month		

Regular withdrawals availability	Yes		
Regular withdrawal minimum amounts and frequency	£50 per month, per quarter, per half-year or per annum (per Fund)		
ISA/NISA eligibility	Yes, available as a Stocks and Shares ISA until 1 July 2014 and available as a NISA thereafter.		
Preliminary and annual management charges (AMC)		**Preliminary charge:**	**AMC:**
	Class A	0%	1.55%
	Class B	0%	0.80%
Ongoing charges figure (OCF)	See the relevant non-UCITS retail scheme Key Investor Information		
Charges taken from	Income		
Income equalisation	Yes		
DIVIDEND INFORMATION			
	Annual	**Interim**	
Accounting Period End	31 July	31 January	
XD Date	1 August	1 February	
Pay Date (on or before)	30 September	31 March	
Frequency of income payments	Half-yearly		

***Please see appendix 7 for past performance information.**

SENTINEL INCOME PORTFOLIO

Investment Objective:

The objective of the fund is to seek through a combination of capital growth and primarily income, total returns above libor on a rolling three year basis. Additionally, over any annual period, the fund will be managed with the aim of reducing any falls to less than 50% of any fall in the ft world index.

Returns above LIBOR are not guaranteed over any period and capital is at risk in seeking to achieve the objective.

The ACD will charge some or all of the AMC to the Fund’s capital account. This will increase the distributable income by that amount and reduce the capital by a similar amount. This may constrain capital growth.

Investment Policy:

The Fund will be actively managed on a low risk basis and assets may be allocated to any geographical sector through gaining exposure to a range of asset classes by investing principally in collective investment schemes and investment trusts. The Fund may also invest directly in cash, shares, fixed interest securities including government bonds, corporate bonds and certain other transferable securities including structured products which may embed a derivative.

As a low risk strategy a diversified portfolio of assets will be used to reduce the downside risk of global equity markets with the maximum underlying exposure to shares being 60% and the minimum being 20% with the remainder of the Fund being invested in cash or fixed interest investments or collective investment schemes principally invested in cash or fixed interest investments.

Normally, the Fund will be fully invested save for an amount to enable ready settlement of liabilities (including redemption of units) and efficient management of the Fund both generally and in relation to its strategic objective. This amount will vary depending upon prevailing circumstances and although it would normally not exceed 10% of the total value of the Fund, there may be times when the Manager considers stock markets around the world to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of cash or near cash instruments held would be increased. Unless market conditions were deemed unusually risky, the increased amount and period would not be expected to exceed 30% and six months respectively. The Fund may use cash and derivatives and forward transactions for efficient portfolio management purposes in order to reduce perceived risks.

The Fund will not maintain an interest in any immoveable property or tangible moveable property.

Launch Date	03 August 2015		
Classes of Share allowed for within the Company’s Instrument and current availability	**Authorised and allowed for:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares	**Currently available:** Class B Income Shares Class B Accumulation Shares	
Currency of denomination	GBP Sterling		
Bond Fund	No		
Minimum initial & subsequent investment amounts		**Initial investment:**	**Subsequent investment:**
	Class A	£1,000	£100
	Class B	£1,000	£100
Minimum redemption & holding amounts		**Minimum redemption:**	**Minimum holding:**
	Class A	£100	£1,000
	Class B	£100	£1,000
Regular savers availability	Yes		
Regular saver minimum investment amount	£100 per month		
Regular withdrawals availability	Yes		

Regular withdrawal minimum amounts and frequency	£50 per month, per quarter, per half-year or per annum (per Fund)		
ISA/NISA eligibility	Yes, available as a Stocks and Shares ISA until 1 July 2014 and available as a NISA thereafter.		
Preliminary and annual management charges (AMC)		**Preliminary charge:**	**AMC:**
	Class A	0%	1.20%
	Class B	0%	0.45%
Ongoing charges figure (OCF)	See the relevant non-UCITS retail scheme Key Investor Information		
Charges taken from	All charges are taken from Income with the exception of the annual management charge which is taken from Capital		
Income equalisation	Yes		
DIVIDEND INFORMATION			
	Annual	**Interim**	
Accounting Period End	31 July	31 January	
XD Date	1 August	1 February	
Pay Date (on or before)	30 September	31 March	
Frequency of income payments	Half-yearly		

SENTINEL GROWTH PORTFOLIO

Investment Objective: The objective of the Fund is to seek through a combination of capital growth and income, returns above the IA Mixed Investment 40% - 85% shares sector on a rolling three year basis. Additionally, over any annual period, the Fund will be managed with the aim of reducing any falls to less than 75% of the fall in the FT World Index.

Investment Policy: The Fund will be actively managed on a medium risk strategy and assets may be allocated to any geographical sector through gaining exposure to a range of asset classes by investing in collective investment schemes and investment trusts. The Fund may also invest directly in cash, shares, fixed interest securities including government bonds, corporate bonds and certain other transferable securities.

As a medium risk strategy a diversified portfolio of assets will be used to reduce the downside risk of global equity markets. The maximum underlying exposure to shares is 85% and the minimum is 40% with the remainder of the Fund being invested in cash or fixed interest investments.

Normally, the Fund will be fully invested save for an amount to enable ready settlement of liabilities (including redemption of units) and efficient management of the Fund both generally and in relation to its strategic objective. This amount will vary depending upon prevailing circumstances and although it would normally not exceed 10% of the total value of the Fund, there may be times when the Manager considers stock markets around the world to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of cash or near cash instruments held would be increased. Unless market conditions were deemed unusually risky, the increased amount and period would not be expected to exceed 30% and six months respectively. The fund may use cash and derivatives and forward transactions for efficient portfolio management purposes in order to reduce perceived risks.

The Fund will not maintain an interest in any immoveable property or tangible moveable property.

Launch Date	03 August 2015		
Classes of Share allowed for within the Company's Instrument and current availability	**Authorised and allowed for:** Class A Income Shares Class A Accumulation Shares Class B Income Shares Class B Accumulation Shares	**Currently available:** Class B Income Shares Class B Accumulation Shares	
Currency of denomination	GBP Sterling		
Bond Fund	No		
Minimum initial & subsequent investment amounts		**Initial investment:**	**Subsequent investment:**
	Class A	£1,000	£100
	Class B	£1,000	£100
Minimum redemption & holding amounts		**Minimum redemption:**	**Minimum holding:**
	Class A	£100	£1,000
	Class B	£100	£1,000
Regular savers availability	Yes		
Regular saver minimum investment amount	£100 per month		
Regular withdrawals availability	Yes		
Regular withdrawal minimum amounts and frequency	£50 per month, per quarter, per half-year or per annum (per Fund)		
ISA/NISA eligibility	Yes, available as a Stocks and Shares ISA until 1 July 2014 and available as a NISA thereafter.		
Initial and annual management charges (AMC)		**Initial charge:**	**AMC:**
	Class A	0%	1.65%
	Class B	0%	0.9%
Ongoing charges figure (OCF)	See the relevant non-UCITS retail scheme Key Investor Information		
Charges taken from	Income		
Income equalisation	Yes		
DIVIDEND INFORMATION			
	Annual	**Interim**	

Accounting Period End	31 July	31 January
XD Date	1 August	1 February
Pay Date (on or before)	30 September	31 March
Frequency of income payments	Half-yearly	

APPENDIX 2

ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS AS AT 15 MAY 2014

The Funds may deal through the securities and derivatives markets indicated below.

ELIGIBLE MARKETS ADOPTED
Any Securities markets established in an EEA State on which transferrable securities admitted to the official listing in the EEA State are dealt in or traded.
And the following markets:
Australia: ASX Limited
Belgium: Euronext Brussels
Canada: TSX Venture Exchange The Toronto Stock Exchange (TSX)
Channel Islands: Channel Islands Securities Exchange (CISX)
Hong Kong: Hong Kong Exchanges
Japan: Tokyo Stock Exchange Nagoya Stock Exchange Sapporo Stock Exchange JASDAQ Securities Exchange
The Republic of Korea: Korea Exchange Incorporated
Mexico: Bolsa Mexicana de Valores (Mexican Stock Exchange)
New Zealand: NZX Limited
Philippines: The Philippines Stock Exchange
Singapore: Singapore Exchange
South Africa: JSE Securities Exchange
Sri Lanka: Colombo Stock Exchange
Switzerland: SIX Swiss Exchange AG
Taiwan: The Taiwan Stock Exchange
Thailand: Stock Exchange of Thailand

USA:
NYSE MKT LLC
NYSE Euronext
Boston Stock Exchange
National Stock Exchange
NYSE Arca
Chicago Stock Exchange
NASDAQ OMX PHLX
NASDAQ
New York Stock Exchange
OTC Bulletin Board regulated by FINRA
The United States Bond Market

ELIGIBLE DERIVATIVES MARKETS ADOPTED
Australia: ASX Limited
Canada: The Montreal Exchange Toronto Stock Exchange Toronto Futures Exchange
Europe: Eurex
France: Euronext Paris
Hong Kong: Hong Kong Exchanges (Stock Exchange of Hong Kong)
Japan: Tokyo Stock Exchange Tokyo International Financial Futures Exchange
New Zealand: New Zealand Futures & Options Exchange
Singapore: Singapore Exchange
South Africa: JSE Securities Exchange
UK: NYSE LIFFE
United States: American Stock Exchange Chicago Board Options Exchange (CBOE) CME Group Inc New York Futures Exchange New York Mercantile Exchange (NYMEX) New York Stock Exchange (NYSE) NYSE Arca NASDAQ OMX Future Exchange NYSE Amex

APPENDIX 3

SHARE CLASSES

Fund	Share Class	Currently Available	Minimum Initial Subscription	Minimum subsequent investment requirement	Minimum Holding Requirement	Monthly Savings[1]	Regular Withdrawals[2]	Minimum Redemption
Sentinel Defensive Portfolio	Class A Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
	Class B Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
Sentinel Universal Portfolio	Class A Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
	Class B Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
Sentinel Enterprise Portfolio	Class A Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
	Class B Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
Sentinel Income Portfolio	Class A Income & Accumulation Shares	X	£1,000	£100	£1,000	✓	✓	£100
	Class B Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100
Sentinel Growth Portfolio	Class A Income & Accumulation Shares	X	£1,000	£100	£1,000	✓	✓	£100
	Class B Income & Accumulation Shares	✓	£1,000	£100	£1,000	✓	✓	£100

Type of Shares: All Share Classes quoted within this Prospectus relate to 'net' Shares; 'gross' Shares are not currently available.

Regular Savers / Withdrawals

1 A minimum regular saver of £100 per month, per fund, is permitted where indicated in the above table. Any increase to regular contributions must be in £10 increments, per month, per fund.

2 Regular withdrawals can be provided upon request. A minimum of £50 per fund can be taken on a monthly, quarterly, half-yearly or annual basis.

The minimum requirements set out in the table above may be waived by the ACD from time to time.

APPENDIX 4

CURRENT CHARGES

Fund	Share Class	Preliminary Charge	Annual Management Charge (AMC)
Sentinel Defensive Portfolio	Class A Income & Accumulation Shares	NIL	1.20%
	Class B Income & Accumulation Shares	NIL	0.45%
Sentinel Universal Portfolio	Class A Income & Accumulation Shares	NIL	1.20%
	Class B Income & Accumulation Shares	NIL	0.45%
Sentinel Enterprise Portfolio	Class A Income & Accumulation Shares	NIL	1.55%
	Class B Income & Accumulation Shares	NIL	0.80%
Sentinel Income Portfolio	Class A Income & Accumulation Shares	Not available	Not available
	Class B Income & Accumulation Shares	NIL	0.45%
Sentinel Growth Portfolio	Class A Income & Accumulation Shares	Not available	Not available
	Class B Income & Accumulation Shares	NIL	0.9%

APPENDIX 5

INVESTMENT MANAGEMENT AND BORROWING POWERS OF THE COMPANY

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 Company's Instrument of Incorporation and this Prospectus. The Company may exercise in respect of the Funds, the full authority and powers permitted by COLL applicable to Non-UCITS retail schemes subject to the relevant Fund's investment objective and policy.

Save for any investment purchased or transaction entered into for the purposes of hedging (referred to in more detail under the heading "Derivatives" below), the property of the Funds may not include any investment to which a liability (whether actual or contingent) is attached unless the maximum amount of such liability is ascertained at the time when such investment is acquired for the account of the Fund.

In accordance with the investment policy of the Funds, the Funds shall mainly invest in units and Shares of collective investment schemes and transferable securities, structured products and derivatives, and may also invest indirectly in immovable property by investing in collective investment schemes and property companies which themselves invest in immovable property. The Funds may also invest in money market investments, deposits, warrants, cash and near cash. 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 COLL as it applies to Non-UCITS retail schemes and as specified 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.

The ACD shall ensure that, taking into account the investment objective of each of the Funds, the scheme property of each of the Funds aims to provide a prudent spread of risk. None of the Funds are expected to have high volatility owing to its portfolio composition or the portfolio management techniques used over and above the general market volatility of the markets of its underlying investments.

In accordance with COLL, the rules in this section relating to the spread of investments do not apply until 12 months after the later of:

(a) The date when the authorisation order in respect of the Non-UCITS Retail Scheme takes effect; and
(b) The date the initial offer commenced.

Eligible Markets

The Eligible Markets approved for each of the Funds are listed within Appendix 2 of this Prospectus.

1) In accordance with COLL 5.2.10R, a market is eligible for the purposes of the COLL rules if it is:

   a) a regulated market;

   b) a market in an EEA State which is regulated, operates regularly and is open to the public; or

   c) any market within (2) below.

2) A market not falling within (1) (a) and (b) is eligible for the purposes of the rules in this sourcebook if:

   a) the authorised fund manager, after consultation with and notification to the Depositary (and in the case of an ICVC, any other Directors), decides that market is appropriate for investment of, or dealing in, the scheme property;

   b) the market is included in a list in the Prospectus; and

   c) the Depositary has taken reasonable care to determine that:

      i. adequate custody arrangements can be provided for the investment dealt in on that market; and

      ii. all reasonable steps have been taken by the authorised fund manager in deciding whether that market is eligible.

3) In (2)(a), a market must not be considered appropriate unless it:

   a) is regulated;

   b) operates regularly;

   c) is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator;

   d) is open to the public;

   e) is adequately liquid;

   f) has adequate arrangements for unimpeded transmission of income and capital to or to the order of investors

In accordance with COLL 5.2.9G, where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in COLL 5.2.8R (4) applies, and exceeding this limit because a market ceases to be eligible will generally be regarded as a breach beyond the control of the authorised fund manager. The ability to hold up to 10% of the scheme property in ineligible assets under COLL 5.2.8R (4) is subject to the following limitations:

1) for a qualifying money market fund, the 10% restriction is limited to high quality money market instruments with a maturity or residual maturity of not more than 397 days, or regular yield adjustments consistent with such a maturity, and with a weighted average maturity of no more than 60 days;

2) for a short-term money market fund or a money market fund, the 10% restriction is limited to high quality approved money market instruments as determined under COLL 5.9.6R (High quality money market instruments).

Collective Investment Schemes

The property of the Funds may consist of units in collective investment schemes established anywhere provided the requirements below are met. 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 may not invest in units or Shares of another collective investment scheme (the "**Second Scheme**") unless the Second Scheme satisfies the conditions referred to below.

The Second Scheme must fall 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;

(b) a scheme which is a recognised scheme;

(c) a scheme which is a non-UCITS retail scheme;

(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 scheme property (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 and 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.

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 ACD) the ACD or an associate of the ACD. However, if the Funds invest 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 the Funds in question 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 and Money Market Instruments

The Funds may invest up to 100% of the scheme property in transferable securities and money market instruments which are:

(a) admitted to or dealt in on an eligible market (as set out on page appendix 2); or

(b) are recently issued transferable securities, provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market, and such admission is secured within a year of issue; or

(c) money market instruments which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time, being an 'approved money market instrument' in accordance with COLL which fulfil the following requirements:

   (i) the issue or the issuer is regulated for the purpose of protecting investors and savings, and

   (ii) the instrument is issued or guaranteed in accordance with COLL 5.2.10BR.

Not more than 20% in value of the property of the Funds may consist of transferable securities which do not fall within (a) to (c) above or which are money market instruments which are liquid and have a value which can be determined accurately at any time.

Transferable securities held by the Company must also fulfill the following criteria:

(a) The potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it:

(b) Its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying Shareholder;

(c) Reliable valuation is available for the transferable securities as follows:

   (i) In the case of transferable security admitted to or dealt in on an eligible market where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

   (ii) in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;

(d) appropriate information is available for the transferable security as follows:

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

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

(e) it is negotiable; and

(f) its risks are adequately captured by the risk management process of the ACD.

Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and to be negotiable.

The Funds may also invest in an approved money market instrument, as defined in COLL 5.2.7FR, provided the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles (as defined in COLL) which benefit from a banking liquidity line (as defined in COLL).

The requirements of COLL 5.2.10BR are that the money market instrument must be:

(a) issued or guaranteed by a central, regional or local authority or central bank of an EEA State or if the EEA State is a federal state, one of the members making up the federation, the European Central Bank, the European Union or the European Investment Bank, a non-EEA

State, or in the case of a federal state, one of the members making up the federation, or by a public international body to which one or more EEA State belongs; or

(b) an establishment subject to prudential supervision in accordance with criteria defined by EU law or an establishment which is subject to and complies with prudential rules governed by the FCA to be at least as stringent as those laid down by EU law; or

(c) issued by a body, any securities of which are dealt in on an eligible market.

A money market instrument that is normally dealt in on the money market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

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 subject to COLL 5.6.23R however, the limit of 10% is raised to 25% in respect of covered bonds.

Covered bonds

In general a covered bond is a bond that is issued by a credit institution which has its registered office in an EEA State and is subject by law to special public supervision designed to protect bondholders and in particular protection under which sums deriving from the issue of the bond must be invested in conformity with the law in assets which, during the whole period of validity of the bond, are capable of covering claims attaching to the bond and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest, and which may be collateralised.

Government and Public Securities

Subject to COLL 5.2.12R(2), where no more than 35% in value of the scheme property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

Subject to COLL 5.2.12R(3), an authorised Fund may invest more than 35% in value of the scheme property in such securities issued by any one body provided that:

(a) the authorised fund manager 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 authorised Fund; and

(b) no more than 30% in value of the scheme property consists of such securities of any one issue;

Up to 100% of the Company and its Funds may consist of Government and public securities. The Funds may invest more than 35% of the scheme property in Government and public securities issued or guaranteed by any one of the following:

- The Government of the United Kingdom; the Executive Committee of the Northern Ireland Assembly; the Scottish Administration; the National Assembly of Wales;
- The Governments of Austria; Belgium; Denmark; Finland; France; Germany; Greece; Iceland; Ireland; Italy; Lichtenstein Luxembourg; Netherlands; Norway; Portugal; Spain; Singapore; Sweden; Cyprus; Czech Republic; Estonia; Hong Kong; Hungary; Latvia; Lithuania; Malta; Poland; Slovakia; Slovenia;
- The Governments of Australia; Canada; Japan; New Zealand; Switzerland and the United States of America;
- The European Investment Bank; the World Bank; the European Bank of Reconstruction & Development (EBRD); the Inter-American Development Bank (IADB); the Asian Development Bank; the International Finance Corporation; the Japan Development Bank; the Nordic Investment Bank and the Council of Europe Development Bank.

Where more than 35% of the scheme property of the Funds is invested in Government and public securities issued by any one issuer, up to 30% of the scheme property may consist of such securities of any one issue and the scheme property must include at least six different issues whether of that issuer or another issuer.

Warrants

Not more than 5% in value of the scheme property attributable to the Funds may consist of warrants.

Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Funds at any time when the payment is required without contravening COLL.

Cash and Near Cash

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

(a) the pursuit of the Funds' 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.

Whilst it is intended that the Funds will typically be fully invested, the Funds also have the ability to hold cash or near cash if particular investment conditions suggest that it is prudent to do so in pursuit of the relevant Fund's objectives, for example, where there are large market movements and/or an exceptional number of redemptions are anticipated or the relevant Funds are 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 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.

Derivatives

The Funds may invest in derivatives and forward transactions for both efficient portfolio management purposes (including hedging) and for investment purposes, the applicable rules in COLL are summarised below.

Efficient Portfolio Management

The Funds may invest in derivatives for efficient portfolio management purposes (including hedging) and the Investment Adviser may make use of a variety of derivative instruments in accordance with COLL. **Where derivatives are used for hedging, or in accordance with efficient portfolio management techniques, this will not compromise the risk profile of the Funds**. Use of derivatives will not contravene any relevant investment objectives or limits.

Efficient portfolio management enables the Funds to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques which relate to transferable securities and approved money market instruments and which fulfill the following criteria:

(a) they are economically appropriate in that they are realised in a cost effective way;

(b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost;

(iii) generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in COLL.

Permitted Transactions (derivatives and forwards)

The Funds may also use derivatives and forward transactions for investment purposes. **The ACD does not anticipate that the use of derivatives will result in the Funds having a higher volatility than the general market due to the investments held and investment techniques adopted by the Investment Adviser.** A transaction in derivatives or a forward transaction must not be effected for the Funds unless the transaction is of a kind specified below and the transaction is covered.

A derivatives transaction may be either an approved derivative (i.e. one which is traded or dealt in on an eligible derivatives market as set out in Appendix 2) or an over-the-counter derivative in accordance with the applicable FCA rules.

A transaction in a derivative must not cause a Fund to diverge from its investment objectives as stated in the instrument and the most recently published version of this Prospectus.

Any over the counter transactions in derivatives must also be on approved terms, as set out in the **'over the counter transaction in derivatives'** section and including:

(a) to provide a reliable and verifiable valuation in respect of that transaction at least daily and at any time at the request of the ACD; and

(b) that it will, at the request of the ACD, enter into a further transaction to close out that transaction at any time, at a fair value, arrived at under the pricing model or other reliable basis agreed.

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

(a) transferable securities;

(b) money market instruments;

(c) deposits (permitted under COLL 5.2.26R);

(d) derivatives and forward transactions (permitted under COLL 5.6.13R);

(e) units in collective investment schemes (permitted under COLL 5.6.10R);

(f) financial indices (which satisfy the criteria set out in COLL 5.2.20AR);

(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. The ACD must ensure compliance with COLL 5.3.13R.

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

A derivative or forward transaction which will or could lead to the delivery of property for the account of the Company may be entered into only if:

(a) that property can be held for the account of the Funds; and

(b) the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in COLL.

Where the Funds invest in derivatives, the exposure to the underlying assets must not exceed the general spread limits in accordance with COLL 5.6.7R (Spread: general), COLL 5.6.8R (Spread: government and public securities) and COLL 5.6.5R(2), except for index-based derivatives where the following rules apply.

In accordance with COLL 5.6.23R, a Non-UCITS Retail Scheme may invest up to 20% in value of the scheme property in Shares and debentures which are issued by the same body where the aim of the investment policy of that scheme, as stated in its recently published Prospectus, is to replicate the performance or composition of an index. The index must:

a) have a sufficiently diversified composition;

b) be a representative benchmark for the market to which it refers; and

c) be published in an appropriate manner.

The 20% limit as noted above may be raised for a particular scheme up to 35% in value of the scheme property, but only in respect of one body and where justified by exceptional market conditions.

Where the Funds invest in an index-based derivative, provided the relevant index falls within COLL 5.6.23R (Schemes replicating an index, as noted above) the underlying constituents of the index do not have to be taken into account for the purposes of monitoring the spread requirements. The relaxation is subject to the ACD continuing to ensure that the property provides a prudent spread of risk.

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.

A transaction in a derivative must not cause the Funds to diverge from their investment objectives as stated in the Instrument and the most recently published version of this Prospectus.

All derivatives transactions are managed as if they are free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee, and it is characterised by daily mark-to-market valuation of the derivative positions and an at least daily margining.

Over-the-counter ("OTC") transactions in derivatives

Any transaction in an OTC derivative must be:

(a) 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 principal off-exchange.

(b) on approved terms. The terms of a transaction in derivatives are approved only if, the ACD:

(i) carries out at least daily a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (and which does not rely only on market quotations by the counterparty); and

(ii) Can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value arrived, and

(c) capable of reliable valuation. A transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:

(i) on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or

(ii) if the value referred to in (i) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

(d) subject to verifiable valuation. A transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:

(i) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or

(ii) a department within the ACD which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

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

The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with (a) to (d) above.

Collateral required under OTC derivative transactions must meet the following criteria:

(a) Liquidity – any collateral received other than cash should be highly liquid with transparent pricing in order that it can be sold quickly at a price close to the pre-sale valuation.

(b) Valuation – collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. A haircut policy for such assets is required.

(c) Issue credit quality – collateral received should be of high quality.

(d) Correlation – the collateral received should be issued by an entity that is independent from the counterparty.

(e) Collateral diversification - collateral should be sufficiently diversified in terms of country, markets and issuers.

(f) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

(g) Where there is title transfer, the collateral received should be held by the depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

(h) Collateral received should be capable of being fully enforced at any time without reference to or approval from the counterparty.

(i) Non-cash collateral received should not be sold, re-invested or pledged.

(j) Cash collateral received should only:

  i. placed on deposit with certain prescribed entities;
  ii. invested in high-quality government bonds;
  iii. invested in short term money market funds.

(k) Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

(l) An appropriate collateral liquidity stress testing policy is required where collateral received exceeds 30% of assets.

Risk Management - Derivatives

Derivatives may be used by each of the Funds for investment purposes and for the purposes of efficient portfolio management (including hedging). This may mean that the net asset value of a particular Fund could be subject to volatility from time to time however, it is the ACD's intention that the Funds, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the relevant markets or their underlying investments and therefore it is not anticipated that the use of derivative techniques will alter or change the market risk profile of the relevant Funds.

The ACD has notified the FCA of the details of its Derivative Risk Management Processes, including the methods for estimating risks in derivative and forward transactions and the types of derivatives and forwards that will be used within the Funds together with their underlying risks and any relevant quantitative limits. The ACD will notify the FCA in advance of any significant changes to its risk management processes.

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the European Securities and Markets Authority 'ESMA' and referenced by the FCA Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the ESMA guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

Any material alteration of the above details of the risk management procedures will be notified by the ACD in advance to the FCA.

Requirement to Cover Sales

No agreement by or on behalf of the Funds to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Funds by delivery of property or the assignment of rights, and such property and rights are owned by the Funds at the time of the agreements. This requirement does not apply to a deposit.

Cover for transactions in derivatives and forward transactions

The global exposure relating to derivatives held by the Funds may not exceed the net value of the scheme property.

Deposits

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

(a) is with an approved bank;

(b) is repayable on demand or has the right to be withdrawn; and

(c) matures in no more than 12 months.

Gold

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

Immovable property

Whilst the Company is permitted to invest directly in immovable property, it is currently intended that the Funds will only invest indirectly in immovable property primarily through investing in collective investment schemes and/or property companies which themselves invest directly in immovable property.

Spread - General

In applying any of the restrictions referred to above:

(a) not more than 20% in value of the Fund property may consist of deposits with any single body;

(b) not more than 10% in value of the Fund 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 Fund property, (subject to COLL 5.6.7R(7) and(8) as explained above); and

(d) not more than 35% in value of the Fund is to consist of units in any one collective investment scheme.

Borrowing

Subject to the Company's Instrument and COLL (as it relates to non-UCITS retail schemes), the Funds 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 business 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, the Directors or any Investment Adviser 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 Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Stock lending

The Funds 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 including the right to recall any security lent and terminate any such agreement immediately and subject to the limits of the use of repo transactions under the ESMA Guidelines on ETFs and Other UCITS Issues;

(b) the counterparty is an authorised person or a person authorised by a home state regulator or otherwise permitted under 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.

The ACD has, however, decided not to utilise these techniques for the foreseeable future. Should this change, the Prospectus will be updated accordingly and any related costs or fees arising from this activity will be disclosed along with the identity of the entity(ies) that these are to be paid to.

Restrictions on lending of money

None of the money in the scheme property of the Funds may be lent and, for the purposes of this prohibition, money is lent by the Funds if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

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

This rule does not prevent the Funds from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Funds (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

Restrictions on lending of property other than money

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

The Fund must not be mortgaged.

Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL, nothing in this rule prevents the Company or the Depositary at the request of the Company, from lending, depositing, pledging or charging scheme property for margin requirements, or transferring scheme property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to shareholders.

An agreement providing appropriate protection to shareholders for these purposes includes one made in accordance with the 1995 International Swaps and Derivatives Association Credit Support Annex (English Law) to the International Swaps and Derivatives Association Master Agreement.

General power to accept or underwrite placings

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

This rule applies to any agreement or understanding which:

(a) is an underwriting or sub-underwriting agreement; or

(b) contemplates that securities will or may be issued or subscribed for or acquired for the account of the Company.

The above paragraph does not apply to an option or a purchase of a transferable security which confers a right to (i) subscribe for or acquire a transferable security; or (ii) convert one transferable security into another.

The exposure of the Company to agreements and understandings (a) and (b) above must, on any day, be:

(a) covered in accordance with COLL 5.3.3R (Cover for transactions in derivatives and forward transactions); and

(b) such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any applicable limit in COLL.

Guarantees and indemnities

The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.

None of the scheme property of the Company may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

The above paragraphs do not apply to:

(a) any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL; and

(b) for the Company:

(i) an indemnity falling within the provisions of regulation 62(3) of the OEIC Regulations (Exemptions from liability to be void);

(ii) an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the scheme property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the scheme property; and

(iii) an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Company and the holders of Shares in that scheme become the first shareholders in the Company.

APPENDIX 6

DILUTION LEVY RATES AS AT 31 DECEMBER 2013

Please note: With effect from 01 August the Company has moved from a dilution levy approach to a dilution adjustment approach using a swinging NAV. Please see section 8.1 which explains the approach to dilution adjustments.

Fund Name	Investments (i.e. purchase of Shares)	Redemptions (i.e. repurchase of Shares)	% of deals where dilution levies were applied*
Sentinel Defensive Portfolio	1.01%	0.73%	0%
Sentinel Universal Portfolio	0.25%	0.39%	0%
Sentinel Enterprise Portfolio	0.09%	0.09%	0.03%

** For the year ending 31st December 2013*

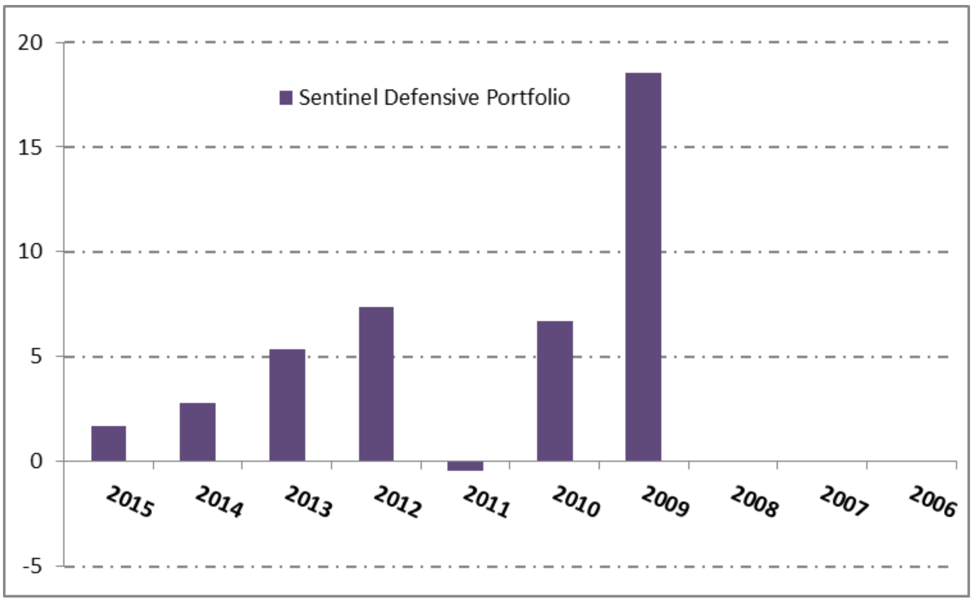
Policy up to 31 July 2016: To charge a Fund specific levy, as shown in the table above, for each and every transaction equal to or greater than 1% of the current value of the Fund. No Dilution Levy is applied to purchases (i.e. investments) of less than £500,000. In addition, the ACD will charge no Dilution Levy on the purchase of Shares for any new Fund or sub-Fund within the first 12 months of its launch.

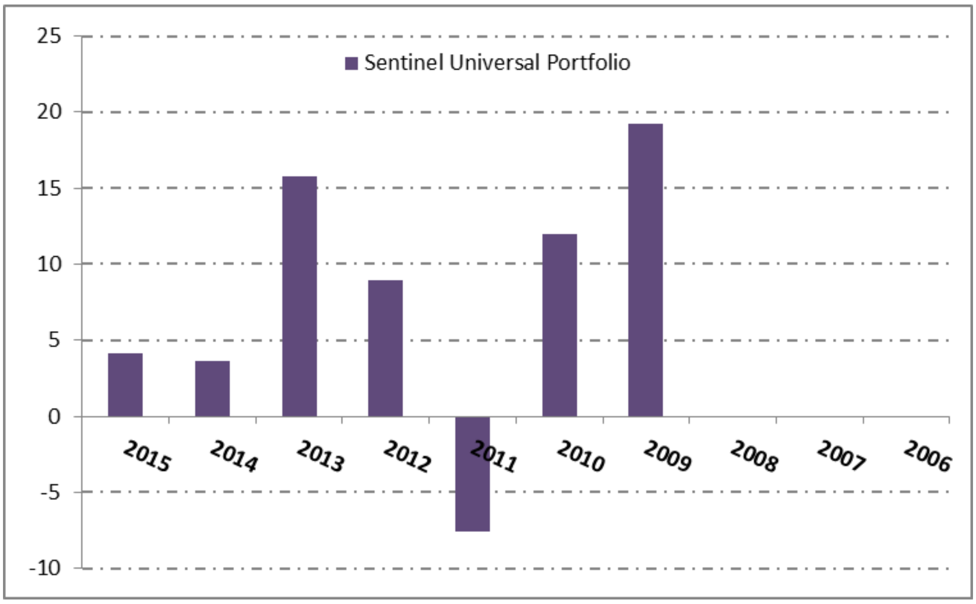
APPENDIX 7

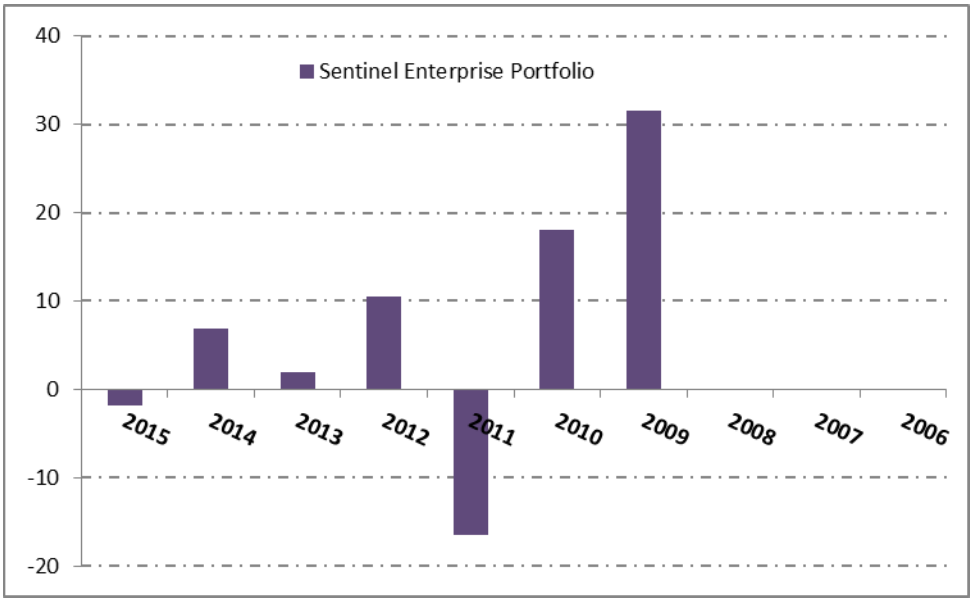
Historic Performance

The line graph below shows the cumulative performance of the Funds, since launch.

The bar chart below shows the performance of the Funds, for each calendar twelve month period since the funds were launched.







WARNING: The value of investments can fall as well as rise. Past performance is not a guide to possible future performance.

Source of performance data is Financial Express Analytics 2016. Class B Accumulation Shares have been used as the representative Share Class. The data allows for net distributions having been reinvested. Past performance should not be seen as an indication of future performance.

Please note that data is not available for the Sentinel Income fund and Sentinel Growth fund as these funds launched on 03 August 2015.

CONTACT US

Margetts Fund Management Limited – ACD's Administration Office

For any application form requests, Prospectus, KIIDs or SID requests, to purchase Shares, sell your investment, obtain a valuation, general account enquiries or to request a copy of the Report & Accounts etc., please contact:

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Tel: 0345 607 6808 (Client Services)
Email: admin@margetts.com
www.margetts.com

Please visit Margetts' website - **www.margetts.com** – to download copies of:

- Application Forms
- Key Investor Information Documents (KIIDs)
- Supplementary Information Document (SID)
- Prospectus
- Report & Accounts
- Short Reports
- Fund Factsheets

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