

**J O HAMBRO CAPITAL MANAGEMENT UK UMBRELLA FUND**

An investment company with variable capital established pursuant to English law


**PROSPECTUS**

**Valid as at 16 April 2024**

**DISCLAIMER:**

**This is an extract from the prospectus, which is intended solely for the offer in Switzerland.**

I, Stephen Lynn , on behalf of JOHCM Funds (UK) Limited , the management company of the J O Hambro Capital Management UK Umbrella Fund, confirm we are aware of the Swiss Consolidated Prospectus (dated 16th April 2024) attached to this email which has been submitted to FINMA for the offer in or from Switzerland and confirm we have no objections.

A handwritten signature in blue ink, appearing to read 'S. Lynn', with a stylized flourish below the name.

MACFARLANES

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT

**PROSPECTUS  
OF  
J O HAMBRO CAPITAL MANAGEMENT UK UMBRELLA FUND**

This document is the Prospectus for J O Hambro Capital Management UK Umbrella Fund (the “Company”) which has been prepared in accordance with the Financial Conduct Authority’s (the “FCA”) Handbook of Rules and Guidance.

This Prospectus is dated and is valid as at **16 April 2024**.

Copies of this Prospectus have been sent to the FCA and the Depositary.

If you are in any doubt about the contents of this Prospectus you should consult your professional adviser.

This Prospectus is based on information, law and practice at the date hereof. The Company is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published prospectus.

JOHCM Funds (UK) 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 applicable regulations to be included in it.

## DEFINITIONS

|                        |   |
|------------------------|---|
| “ACD”                  | the Authorised Corporate Director of the Company from time to time. As at the date of this Prospectus, the ACD is JOHCM Funds (UK) Limited;   |
| “Accumulating Share”   | a share (of whatever class) in the Company as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the FCA Rules net of any tax deducted or accounted for by the Company;                                       |
| “Act”                  | Financial Services and Markets Act 2000 (as amended from time to time);   |
| “Administrator”        | the administrator of the Company from time to time. As at the date of this Prospectus, the Administrator is The Northern Trust Company (UK Branch);   |
| “Approved Derivative”  | an approved derivative is one which is traded or dealt on an eligible derivatives market and any transaction in such a derivative must be effected on or under the rules of the market;   |
| “Benchmark Regulation” | Regulation (EU) 2016/1011 as it applies in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11 pm on 31 December 2020;   |
| “Business Day”         | days on which banks in London are open for normal business;   |
| “Company”              | J O Hambro Capital Management UK Umbrella Fund a UK authorised open-ended investment company;   |
| “Dealing Day”          | Monday to Fridays excluding UK public holidays;   |
| “Depository”           | Northern Trust Investor Services Limited, or such other person as is appointed to act as the depository of the Company from time to time;   |
| “Depository Agreement” | has the meaning given in Section 6.5.1 of this Prospectus;  |
| “Distributing Share”   | a share (of whatever class) in the Company as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the FCA Rules net of any tax deducted or accounted for by the Company;                        |
| “Duties and Charges”   | in relation to any Sub-fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, interest, transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Sub- |

fund or the creation, issue, sale, conversion or repurchase of shares or the sale or purchase of investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but shall not include any commission payable to agents on sales and purchases of shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the NAV of shares in the relevant Sub-fund;

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|-------------------------------|--|
| “EBITDA”                      | earnings before interest, tax, depreciation and amortisation;  |
| “EEA State”                   | a member state of the EEA;   |
| “FCA”                         | the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN;  |
| “FCA Handbook”                | the FCA Handbook of Rules and Guidance made under the Financial Services and Markets Act 2000 (as amended from time to time);  |
| “FCA Rules”                   | the rules contained in that part of the FCA Handbook which deals with regulated collective investment schemes;   |
| “Hedging”                     | the use of derivative transactions (which the ACD reasonably believes to be economically appropriate and to be fully covered) to reduce risk and cost to the Company and to generate additional capital or income with a risk level which is consistent with the risk profile of the Company (or relevant Sub-fund) and the risk diversification rules laid down in the FCA Rules; |
| “Instrument of Incorporation” | the instrument of incorporation of the Company, as amended from time to time;  |
| “Investment Manager”          | J O Hambro Capital Management Limited, the investment manager to the ACD of the Company;   |
| “J O Hambro Group”            | J O Hambro Capital Management Limited, JOHCM Funds (UK) Limited, Perpetual Investment Services Europe Limited, JOHCM (USA) Inc. and JOHCM (Singapore) Pte. Limited each of which are subsidiaries of Pandal Group Limited;   |
| “Net Asset Value” or “NAV”    | the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Instrument of Incorporation;  |
| “Net Redemption Position”     | on any Dealing Day, total redemptions from a Sub-fund exceed total subscriptions to that Sub-fund;   |

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|------------------------------|--|
| “Net Subscription Position”  | on any Dealing Day, total subscriptions to a Sub-fund exceed total redemptions from that Sub-fund;   |
| “OEIC Regulations”           | the Open-Ended Investment Companies Regulations 2001 (as amended from time to time);   |
| “PRN”                        | the product reference number assigned by the FCA to identify each authorised fund;   |
| “Regulated Activities Order” | The Financial Services and Markets Act 2000 (Regulated Activities Order) 2001 (as amended from time to time);  |
| “Scheme Property”            | the property of the Company to be placed with the Depositary for safe-keeping, as required by the FCA Rules;   |
| “Share Class”                | a particular class of shares in the Company;   |
| “Shareholder”                | a holder of shares in the Company;   |
| “Sub-fund”                   | a sub-fund of the Company (comprising 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 is invested in accordance with the investment objective applicable to that sub-fund; |
| “UCITS Directive”            | Directive 2009/65/EC, as amended, including any relevant implementing measures, on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as it applies in the UK from time to time;         |
| “UK”                         | the United Kingdom;  |
| “UK UCITS scheme”            | a collective investment scheme established in the UK complying with the requirements of the UCITS Directive; and   |
| “Valuation Point”            | the valuation point of the Company, as set out in Section 22.1.  |

## 1 **The Company**

- 1.1 J O Hambro Capital Management UK Umbrella Fund is an open-ended investment company with variable capital incorporated in England and Wales with registered number IC000335 authorised by the FCA on 25 October 2004. The PRN for the Company is 402534. The Company has unlimited duration.
- 1.2 The registered office of the Company is at Third Floor, 1 St James’s Market, London SW1Y 4AH which is also the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.
- 1.3 The base currency of the Company is pounds Sterling.

1.4 The maximum share capital of the Company is currently £10,000,000,000 and the minimum is £100. Shares in the Company have no par value and therefore the share capital of the Company at all times equals the Company's current Net Asset Value.

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

## 2 **Company Structure**

2.1 The Company has been established as a UK UCITS scheme and is also an "umbrella company" (under the OEIC Regulations) meaning that different Sub-funds may be formed by the ACD, subject to approval from the FCA. On the establishment of a new Sub-fund or Share Class an updated prospectus will be prepared setting out the relevant information concerning the new Sub-fund. The assets of any particular Sub-fund are treated as separate from those of every other Sub-fund and will be invested in accordance with that Sub-fund's own investment objective and policy.

2.2 Details of the Sub-funds, including their investment objectives and policies are set out in Appendix 1. As at the date of this Prospectus, four Sub-funds exist, the J O Hambro Capital Management UK Equity Income Fund, the J O Hambro Capital Management UK Opportunities Fund and the J O Hambro Capital Management UK Dynamic Fund. In this Prospectus, references to "each Sub-fund" or to "Sub-funds" in the plural are to those Sub-funds and to any others which may be formed in the future.

2.3 Each Sub-fund would be a UK UCITS scheme were it separately authorised.

2.4 Each Sub-fund has a specific portfolio of assets and investments, and its own liabilities, and investors should view each Sub-fund as a separate investment entity.

2.5 The Sub-funds represent segregated portfolios of assets and, accordingly, the assets of a Sub-fund belong exclusively to that Sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Sub-fund and shall not be available for any such purpose.

2.6 Subject to the above, each Sub-fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Sub-fund.

2.7 Any assets, liabilities, expenses, costs or charges not attributable to a particular Sub-fund may be allocated by the ACD in a manner which is fair to Shareholders as a whole but they will normally be allocated to all Sub-funds pro rata to the value of the net assets of the relevant Sub-funds.

## 3 **Shares**

3.1 The Share Classes presently available for each Sub-fund are set out in the details of each Sub-fund in Appendix 1. Further Share Classes may be made available in due course, as the ACD may decide.

- 3.2 The minimum initial investment for each Share Class is set out in Appendix 1. These limits may be waived at the discretion of the ACD.
- 3.3 The Company may issue A Distributing, A Accumulating, A Accumulating Hedged, B Distributing, B Accumulating, K Distributing, K Accumulating, L Distributing, L Accumulating, M Distributing, M Accumulating, S Distributing, S Accumulating, X Distributing, X Accumulating, X Accumulating Hedged, Y Distributing and Y Accumulating Shares. Distributing Shares are entitled to receive distributions of net income periodically. Net income attributable to Accumulating Shares is credited periodically to capital.
- 3.4 A Accumulating Hedged Shares and X Accumulating Hedged Shares are subject to a policy of currency hedging. For these Share Classes the ACD uses hedging transactions to reduce risk by limiting the impact of exchange rate movements between the Base Currency of the Sub-fund in which these hedged Share Classes are in issue (Sterling) and the currency in which the hedged shares are denominated (US Dollar). The intention is to hedge the total return on the underlying investments. The ACD uses derivatives and forward contracts (in accordance with the techniques of efficient portfolio management) for this purpose. The costs of hedging a Share Class and the potential risk reducing benefits will accrue only to Shareholders in that hedged Share Class and not to Shareholders invested in other Share Classes within the same Sub-fund. The ACD will aim to hedge between 98% and 102% of the Net Asset Value (capital and income) of the relevant Share Class. Consequently the hedged Share Classes may not be completely protected from any adverse fluctuations between the currency in which they are denominated and the Base Currency of the relevant Sub-fund. Shareholders should be aware that hedged Share Classes aim to reduce exposure to exchange rate fluctuations at Share Class level, however, investors in hedged Share Classes will still be exposed to the market risks that relate to the underlying investments in a Sub-fund and to any exchange rate risks that arise from the policy of that Sub-fund that are not fully hedged.
- 3.5 When more than one Share Class is available, Shareholders are entitled (subject to certain restrictions) to switch all or part of their shares in one class for shares of a different class. Details of this switching facility and the restrictions are set out below under the heading “Switching” and the fee for doing so is set out below under the heading “Switching Fee”.

## 4 **Management and Administration**

### 4.1 **Authorised Corporate Director**

- 4.2 The Authorised Corporate Director of the Company is JOHCM Funds (UK) Limited which is a private company limited by shares incorporated in England and Wales under the Companies Act 1985 on 24 April 2018 with registered number 11325227.

### 4.3 **Registered Office**

Third Floor, 1 St James’s Market, London SW1Y 4AH.

### 4.4 **Share Capital**

- 4.4.1 The issued share capital of the ACD is £1,351,000 (all of which is allotted and fully paid up) divided into 1,351,000 Ordinary Shares of £1 each.

4.4.2 The ACD is responsible for managing and administering the Company's affairs, and for managing the Company's assets, in compliance with the FCA Rules.

4.4.3 The ACD is authorised to carry on regulated activity in the UK by virtue of being regulated by the FCA.

#### 4.5 **Terms of Appointment**

4.5.1 The ACD was appointed by an agreement dated 6 June 2019 between the Company and the ACD (the "ACD Agreement"). The ACD Agreement provides that the appointment of the ACD may be terminated upon 12 months' 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. Termination cannot take effect until the FCA has approved the appointment of another authorised corporate director in place of the retiring ACD.

4.5.2 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. To the extent allowed by the FCA Rules 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.

4.5.3 The fees to which the ACD is entitled are set out below under the heading "Charges payable to the ACD".

4.5.4 The ACD may delegate its management and administration functions to third parties including associates subject to the rules in the FCA Handbook.

#### 4.6 **ACD's Remuneration Policy**

The FCA's remuneration requirements have been implemented primarily to ensure that relevant members of staff are not incentivised, by way of their remuneration package, to take excessive risks when managing funds. The ACD has approved and adopted a remuneration policy (the "Remuneration Policy") which explains how the ACD complies with such requirements and which staff are covered. Details of the up-to-date Remuneration Policy, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration and benefits can be accessed from the following website: [www.johcm.com](http://www.johcm.com). A paper copy of these details is also available free of charge from the ACD upon request.

#### 4.7 **Inducements**

The ACD shall return to the Company as soon as possible any fees, commissions or monetary benefit, paid or provided by any third party in relation to the services provided to the Company. Further details of any such fees, commissions or monetary benefits will be provided in the accounts of the Company.

#### 4.8 **Directors**

The directors of the ACD and their business activities are:-



Stephen Donald Lynn (Chief Financial Officer)  
Máire O'Connor (Non-executive Director)  
Margaret Helen Vaughan (Non-executive Director)  
Jane Susannah Leach (Non-executive Director)

## 5 **The Investment Manager**

The ACD has appointed J O Hambro Capital Management Limited to provide investment management and distribution services to the ACD.

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

J O Hambro Capital Management Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 1985 on 9 October 1987 with registered number 2176004.

The Investment Manager is a member of the J O Hambro Group.

### 5.1 **Terms of appointment**

The Investment Manager was appointed pursuant to an investment management agreement dated 6 June 2019 between the Company, the ACD and the Investment Manager.

Subject to appropriate controls imposed by the ACD, all relevant law and regulation, this Prospectus and the Instrument of Incorporation and further instructions given by the ACD, the Investment Manager has discretion to take day to day investment decisions and to deal in investments in relation to the investment management of each of the Sub-Funds, without prior reference to the ACD.

The Investment Management Agreement may be terminated by the ACD on not less than 30 calendar days' prior written notice and by the Investment Manager on not less than 90 calendar days' prior written notice or immediately in certain circumstances. The Investment Manager is entitled to a fee paid out of the scheme property, as explained in Section 30 below.

## 6 **The Depositary**

### 6.1 **General**

6.1.1 The depositary of the Company is Northern Trust Investor Services Limited, a UK limited liability company, incorporated on 29 April 2020 with company number 12578024. Its registered office and principal place of business is at 50 Bank Street, London E14 5NT.

6.1.2 The Depositary is authorised and regulated by the Financial Conduct Authority.

6.1.3 The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

### 6.2 **Duties of the Depositary**

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

### 6.3 **Delegation of Safekeeping Functions**

6.3.1 Subject to the FCA Rules, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its safekeeping duties as Depositary. As a general rule, where the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Depositary of its functions.

6.3.2 As at the date of this Prospectus, the Depositary has delegated custody services to The Northern Trust Company (UK Branch) (the “**Custodian**”). The Custodian has sub-delegated custody services to sub-custodians in certain markets in which the Company may invest. A list of sub-custodians is given in Appendix 7. Investors should note that the list of sub-custodians is updated only at each Prospectus review. An updated list of sub-custodians is maintained by the Investment Manager at [www.johcm.com](http://www.johcm.com).

### 6.4 **Updated Information**

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

### 6.5 **Terms of Appointment**

6.5.1 The appointment of the Depositary has been made under an agreement (as amended and novated from time to time) between the Company, the ACD and the Depositary (the “**Depositary Agreement**”). The Depositary Agreement is terminable on receipt of six months’ written notice given by either party. The Depositary may not retire voluntarily except on the appointment of a new depositary.

6.5.2 The Depositary Agreement contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

6.5.3 The Depositary is entitled to receive remuneration out of the Scheme Property of the Company as explained under the heading “Depositary’s Fees” in Section 31 below.

### 6.6 **Conflicts of interest**

## 6.6.1 **General**

- 6.6.1.1 The Depositary may act as the depositary of other investment funds and as trustee or custodian of other collective investment schemes.
- 6.6.1.2 It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company or a particular Sub-fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian.
- 6.6.1.3 There may also be conflicts arising between the Depositary and the Company, the Shareholders or the ACD. In addition, the Depositary also has a regulatory duty when providing the services to act solely in the interests of Shareholders and the Company (including its Sub-funds). In order to comply with this requirement, the Depositary may in some instances be required to take actions in the interests of Shareholders and the Company (including its Sub-funds) where such action may not be in the interests of the ACD.

## 6.6.2 **Affiliates**

- 6.6.2.1 From time to time conflicts may arise from the appointment by the Depositary of any of its delegates, as applicable. The Depositary, and any other delegate, is required to manage any such conflict having regard to the FCA Handbook and its duties under the Depositary Agreement.
- 6.6.2.2 The Depositary will ensure that any such delegates or sub-delegates who are its affiliates are appointed on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. The Custodian and any other delegate are required to manage any such conflict having regard to the FCA Handbook and its duties to the Depositary and the ACD.

## 6.6.3 **Conflicting commercial interests**

- 6.6.3.1 The Depositary (and any of its affiliates) may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Company.
- 6.6.3.2 This includes circumstances in which the Depositary or any of its affiliates or connected persons: acts as market maker in the investments of the Company; provides broking services to the Company and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Company; acts in the same transaction as agent for more than one client; has a

material interest in the issue of the investments of the Company; or earns profits from or has a financial or business interest in any of these activities.

#### 6.6.4 **Management of conflicts**

6.6.4.1 The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depositary issues to be properly identified, managed and monitored.

#### 6.7 **GDPR**

6.7.1 Northern Trust's EMEA Data Privacy Notice sets out how the Depositary will process the Shareholders' personal information as a data controller where these details are provided to it in connection with the Shareholders' investment in the Company.

6.7.2 Northern Trust's EMEA Data Privacy Notice may be updated from time to time and readers should confirm that they hold the latest version which can be accessed at [www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice](http://www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice).

6.7.3 Any Shareholder who provides the ACD and its agents with personal information about another individual (such as a joint investor), must show Northern Trust's EMEA Data Privacy Notice to those individuals.

#### 7 **The Auditor**

The Auditor of the Company is Ernst & Young LLP.

#### 8 **Administration and Register of Shareholders**

The ACD is responsible for managing and administering the Company's affairs in accordance with the FCA Rules. The ACD is permitted to delegate its administration functions, but not responsibility, to third parties, subject to the rules in the FCA Rules.

##### 8.1 **Fund Accounting and Valuation**

8.2 The ACD has appointed The Northern Trust Company (UK Branch), to assist with fund accounting, valuation and calculation of the Net Asset Value of the Sub-Funds pursuant to an agreement dated 30 March 2023 (as amended from time to time) between The Northern Trust Company (UK Branch) and the ACD.

##### 8.3 **Administrator and Registrar**

8.3.1 The ACD has delegated the role of administrator and registrar of the Company to The Northern Trust Company (UK Branch). The Administrator will be responsible for all transfer agency functions in relation to the Company.

8.3.2 The Register of Shareholders is maintained by the Administrator at 50 Bank Street, London E14 5NT and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

## 9 **Conflicts of Interest**

9.1 The ACD, the Investment Manager and the Depositary are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the management of the Company or its Sub-funds. In addition, the Company may enter into transactions at arm's length with companies in the same group as the ACD.

9.2 The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes. It is therefore possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company or a particular Sub-fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Prospectus, the Depositary Agreement and the FCA Rules and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

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

## 10 **Buying, Selling and Switching Shares**

The dealing office of the Administrator is open from 9.00 am until 5.00 pm on each Dealing Day to receive requests for the issue, redemption and switching of shares, which will be effected at prices determined at the next Valuation Point following receipt of such request. Methods of dealing other than those set out below may from time to time be available at the ACD's discretion.

## 11 **Buying Shares**

### 11.1 **Procedure**

11.1.1 Shares can be bought by:

11.1.1.1 sending a completed application form to the Administrator at the address set out at the end of this Prospectus;

11.1.1.2 by faxing a completed application form to the Administrator at +44 (0) 20 7643 3757;

- 11.1.1.3 by emailing a completed application form to [JOH\\_Onshore\\_TAQueries@ntrs.com](mailto:JOH_Onshore_TAQueries@ntrs.com);
- 11.1.1.4 by telephoning\* the Administrator on +44 (0) 333 300 0359 between 9.00am and 5.00pm (an earlier closure may occasionally apply) on each Dealing Day; or
- 11.1.1.5 through an authorised intermediary.

Application forms are available from the ACD or the Administrator.

\*Please note that the ACD may record telephone calls for record keeping, security and/or training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates.

- 11.1.2 The ACD will not accept authority to effect transfer of title to shares by means of electronic communication.
- 11.1.3 The ACD shall have 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 risk of the applicant.
- 11.1.4 Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.
- 11.1.5 When an applicant applies for shares in a Sub-fund there is a window of time between the ACD receiving subscription money from the applicant and the ACD transferring the subscription money to the Depositary to be used to settle the creation of the applicant's shares. If the ACD transfers the subscription money to the Depositary by the close of business on the Business Day following receipt, the ACD is permitted to use an exemption to the FCA's client money rules which means that the ACD is not required to ensure that money is protected in a ring-fenced bank account. If the ACD transfers the subscription money to the Depositary outside of this window then the ACD is required to protect the money in a ring-fenced bank account in accordance with the FCA's client money rules. No interest will be paid on money held within the client money account.
- 11.1.6 In the event that an applicant fails to provide the subscription monies within three Business Days after the issue of shares, the applicant will be required to indemnify the ACD against the liabilities that may be incurred by it. Any shares that have been issued to the applicant may be cancelled and the applicant may be charged interest and other expenses incurred by the ACD.

## 11.2 **Documentation**

11.2.1 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 date of the issue of shares, together with, where appropriate, a notice of the applicant's right to cancel.

11.2.2 Settlement is due within three Business Days after the date of the issue of shares.

11.2.3 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 distributions of income in each Sub-fund will show the number of shares held by the recipient in the Sub-fund in respect of which the distribution is made. Individual statements of a Shareholder's (or, when shares are jointly held, the first named Shareholder's) shares will also be issued at any time on request by the registered Shareholder.

## 11.3 **Minimum Subscriptions and Holdings**

11.3.1 The minimum initial and subsequent subscription levels, and minimum holdings, are set out in Appendix 1. The ACD may at its discretion accept subscriptions lower than the minimum amount.

11.3.2 If a holding is below the minimum holding the ACD has a discretion to require redemption of the entire holding.

## 12 **Selling Shares**

### 12.1 **Procedure**

12.1.1 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 holding for the Sub-fund concerned, in which case the Shareholder may be required to redeem his entire holding.

12.1.2 Requests to redeem shares may be made:

12.1.2.1 in writing to the Administrator at the address set out at the end of this Prospectus;

12.1.2.2 by faxing the Administrator at +44 (0) 20 7643 3757;

12.1.2.3 by emailing [JOH\\_Onshore\\_TAQueries@ntrs.com](mailto:JOH_Onshore_TAQueries@ntrs.com);

12.1.2.4 by telephoning\* the Administrator on +44 (0) 333 300 0359 between 9.00am and 5.00pm (an earlier closure may occasionally apply) on each Dealing Day; or

12.1.2.5 through an authorised intermediary.

\*Please note that the ACD may record telephone calls for record keeping, security and/or training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five

years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates.

12.1.3 When a Shareholder makes a redemption request for shares in a Sub-fund there is a window of time between the ACD receiving redemption money from the Depositary and the ACD transferring the redemption money to the Shareholder. If the ACD transfers the redemption money to the Shareholder by the close of business on the Business Day following receipt, the ACD is permitted to use an exemption to the FCA's client money rules which means that the ACD is not required to ensure money is protected in a ring-fenced bank account. If the ACD transfers the redemption money to a Shareholder outside of this window then the ACD is required to protect the money in a ring-fenced bank account in accordance with the FCA's client money rules until such time as it is paid to the Shareholder. No interest will be paid on money held within the client money account.

12.1.4 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) or their duly authorised agent together (if sufficient written instructions have not already been given) not later than the end of the Business Day following the Valuation Point by reference to which the redemption price is determined.

12.1.5 Payment in satisfaction of the redemption monies will be issued within three Business Days of the Valuation Point following receipt by the ACD of the request to redeem.

## 12.2 **Minimum Redemption**

Part of a Shareholder's holding may be sold but the ACD reserves the right to refuse a redemption request if the value of the shares of any Sub-fund to be redeemed is less than any minimum redemption amount set out in Appendix 1 or would result in a Shareholder holding less than the minimum holding for a Sub-fund, as detailed in Appendix 1.

## 12.3 **In Specie Redemption**

12.3.1 If a Shareholder requests the redemption or cancellation of shares, the ACD may if it considers the deal substantial in relation to the total size of the Sub-fund concerned, arrange for the Company to cancel the shares and transfer Scheme Property to the Shareholder instead of paying the price of the shares in cash, or, if required by the Shareholder, pay the net proceeds of sale of the relevant Scheme Property to the Shareholder. A deal involving shares representing 5% or more in value of a Sub-fund will normally be considered substantial, although the ACD may if it thinks it appropriate agree an in specie redemption with a Shareholder whose shares represent less than 5% in value of the Sub-fund concerned.

12.3.2 Before the proceeds of cancellation of the shares become payable, the ACD will give written notice to the Shareholder that Scheme Property (or the proceeds of sale of that Scheme Property) will be transferred to that Shareholder.

12.3.3 The ACD will select the property to be transferred (or sold) in consultation with the Depositary. They must ensure that the selection is made with a view to



achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing Shareholders.

## 13 **Switching**

13.1 Shareholders should be aware that a switch of shares in one Sub-fund for shares in another Sub-fund is treated as a redemption and sale and is a disposal for UK capital gains tax purposes. A switch of shares between different share classes in the same Sub-fund is not so treated, except for switches from an unhedged share class to a hedged share class (or vice versa).

13.2 If and when more than one class of shares is in issue, a Shareholder of shares may switch all or some of his shares (“Old Shares”) for shares of another class of the same Sub-fund or for shares in another Sub-fund (if available) (“New Shares”). The number of New Shares issued will be determined by reference to the respective prices of New Shares and Old Shares at the Valuation Point applicable at the time the Old Shares are repurchased and the New Shares are issued.

13.3 Switching may be effected either in writing to the ACD or through an authorised intermediary and the Shareholder may be required to complete a switching form (which, in the case of joint Shareholders must be signed by all the joint Shareholders). A switching Shareholder must be eligible to hold the shares into which the switch is to be made.

13.4 The ACD may at its discretion charge a fee on the switching of shares between classes and between Sub-funds. These fees are set out in Section 15.3.

13.5 If the switch would result in the Shareholder holding a number of Old Shares or New Shares of a value which is less than the minimum holding, the ACD may if it thinks it appropriate convert the whole of the applicant’s holding of Old Shares to New Shares or refuse to effect any switch of the Old Shares. No switch will be made during any period when the right of Shareholders to require the redemption of their shares is suspended. The general provisions on selling shares shall apply equally to a switch.

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

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

## 14 **Share Class Conversions**

14.1 If applicable, a holder of shares in a share class (“Old Class Shares”) of a Sub-fund may exchange all or some of his shares for shares of a different share class within the same Sub-fund (“New Class Shares”). An exchange of Old Class Shares for New Class Shares will be processed as a conversion (“Share Class Conversion”). Unlike a Switch, a conversion of Old Class Shares into New Class Shares will not involve a redemption and issue of shares. This transaction will not be included in the calculations for the purposes of income equalisation the New Class Shares will receive the same treatment as the Old Class Shares.

- 14.2 The number of New Class Shares issued will be determined by a conversion factor calculated by reference to the respective prices of New Shares and Old Shares at the Valuation Point applicable at the time the Old Class Shares are converted to New Class Shares.
- 14.3 Share Class Conversions may be effected either in writing to the ACD or through an authorised intermediary and the Shareholder may be required to complete a share class conversion form (which, in the case of joint Shareholders must be signed by all the joint Shareholders). A converting Shareholder must be eligible to hold the shares into which the Share Class Conversion is to be made. It is the ACD's intention that Share Class Conversions will be processed at the next Valuation Point following receipt of the instruction, however the ACD reserves the right to defer a Share Class Conversion until no later than after the next annual accounting date if it is in the interests of other Shareholders.
- 14.4 If the Share Class Conversion would result in the Shareholder holding a number of Old Class Shares or New Class Shares of a value which is less than the minimum holding in the share class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Old Class Shares to New Class Shares or refuse to effect any Share Class Conversion of the Old Shares.
- 14.5 Please note that, under current tax law in the UK, a Share Class Conversion between different share classes in the same Sub-fund will not be deemed to be a realisation for the purposes of capital gains taxation.
- 14.6 A Shareholder who converts their shares in one share class to shares in a different share class in the same Sub-fund will not be given a right by law to withdraw from or cancel the transaction.
- 14.7 The ACD may also, in its sole discretion, convert some or all of the Old Class Shares held by any shareholder to New Class Shares, provided that the conversion does not materially prejudice any such shareholder. The ACD will provide the shareholder with 60 days' prior notice of any such conversion

## 15 **Dealing Charges**

### 15.1 **Preliminary Charge**

The ACD may impose a charge on the sale of shares to investors which is based on the amount invested by the prospective investor. The preliminary charge is payable to the ACD but may be waived at the ACD's discretion. Full details of the current preliminary charge for each class of share in each Sub-fund are set out in Appendix 1.

### 15.2 **Redemption Charge**

15.2.1 The ACD may make a charge on the redemption of shares. At present no redemption charge is levied.

15.2.2 The ACD may not introduce a redemption charge on shares unless, not less than 60 days before the introduction, it has given notice in writing to the then current Shareholders of that introduction and has revised and made available the Prospectus to reflect the introduction and the date of its commencement. If charged, the redemption charge will be deducted from the price of the shares being redeemed and will be paid by the Company to the ACD.

15.2.3 In the event of a change to the rate or method of calculation of a redemption charge, details of the previous rate or method of calculation will be available from the ACD.

### 15.3 **Switching Fee**

On the switching of shares of one class for shares of another class or for shares in one Sub-fund for shares in another Sub-fund the Instrument of Incorporation authorises the Company to impose a switching fee. The fee will not exceed an amount equal to the then prevailing preliminary charge for the Class or Sub-fund into which shares are being switched. The switching fee is payable by the Company to the ACD. Currently no switching charge will be levied.

## 16 **Dilution Adjustment**

16.1 The basis on which the Sub-fund's investments are valued for the purpose of calculating the buying and selling price of shares as stipulated in the FCA Rules and the Company's Instrument of Incorporation is summarised in Section 23. The total proceeds of the sale of an investment may be less than, and the total purchase price of an investment may be more than, the mid-market price used in calculating the share price, for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Shareholders' interest in the Sub-fund. In order to mitigate this effect, called "dilution", a dilution adjustment ("Dilution Adjustment") may be applied. A Dilution Adjustment is an adjustment to the share price. The application of any such Dilution Adjustment shall be compliant with the FCA's requirements.

16.2 The Dilution Adjustment for the Sub-fund will be calculated by reference to the estimated costs of dealing in the underlying investments of the Sub-fund, including any dealing spreads ("Spreads"), commissions and transfer taxes. The Investment Manager shall be responsible for determining the thresholds and rate at which a Dilution Adjustment will be applied, subject to the approval of the ACD. In extreme market circumstances and in order to act in the best interests of shareholders, the Investment Manager may amend the rate of the Dilution Adjustment without the approval of the ACD.

16.3 In the event of the Sub-fund being in a Net Subscription Position on any Dealing Day, a Dilution Adjustment may be made to the NAV per share of the relevant Share Classes to cover the Duties and Charges and Spreads, being the costs involved in rebalancing the Sub-fund's portfolio in respect of the net issue of shares on that Dealing Day.

16.4 In the event of the Sub-fund being in a Net Redemption Position on any Dealing Day, a Dilution Adjustment may be made to cover the Duties and Charges and Spreads, being the costs involved in rebalancing the Sub-fund's portfolio in respect of the net redemption of shares on that Dealing Day.

16.5 The purpose of any Dilution Adjustment would be to limit the impact of trading costs on the value of the Sub-fund.

16.6 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. It may also depend on the nature of a particular Sub-fund (i.e. whether it invests

primarily in equities or bonds). A Dilution Adjustment may be applied 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, is fair to all Shareholders and potential Shareholders. In particular, the Dilution Adjustment may be applied in circumstances where:

- 16.6.1 over a dealing period a Sub-fund has experienced a large level (as determined by the Investment Manager) of net issues or redemptions relative to its size;
  - 16.6.2 a Sub-fund is in continual decline (i.e., is experiencing a net outflow of redemptions); and
  - 16.6.3 in any other case where the ACD is of the opinion that the interests of the Shareholders require the imposition of a Dilution Adjustment.
- 16.7 The Dilution Adjustment will involve adding to, when the Sub-fund is in a Net Subscription Position, and deducting from, when the Sub-fund is in a Net Redemption Position, the Net Asset Value per Share such figure as the Investment Manager considers an appropriate figure not exceeding 2% of the Net Asset Value per Share (based on historical testing of the Company and subject to periodic review by the ACD) to meet the relevant Duties and Charges and Spreads. The resultant amount will be the price at which all subscriptions and redemptions (including both seeded and unseeded Share Classes) occurring on the relevant Dealing Day will be made.
- 16.8 The price of each Share Class of a Sub-fund will be calculated separately but any Dilution Adjustment will in percentage terms affect the price of each Share Class in an identical manner.
- 16.9 On any occasion when a Dilution Adjustment is not made there may be an adverse impact on the total assets of the relevant Sub-fund which may otherwise constrain the future growth of that Sub-fund. It should be noted that as dilution is directly related to the inflows and outflows of monies from a Sub-fund, it is not possible to predict accurately whether or not dilution will occur at any particular future point in time, and how frequently a Dilution Adjustment will be made. It is anticipated that the application of a Dilution Adjustment will not be necessary in most instances based on historical testing of inflows and outflows.

## 17 **Money Laundering and Facilitation of Tax Evasion**

As a result of legislation in force in the UK to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying shares. The ACD reserves the right to reverse the transaction or to refuse to sell shares if it is not satisfied as to the identity of the applicant.

Legislation entered into force in the UK on 30 September 2017 designed to prevent the facilitation of tax evasion, either in the UK or abroad. Companies and partnerships will be strictly liable under the new law if their employees or other associated persons criminally facilitate the evasion of either UK or non-UK taxes unless they have in place reasonable procedures to prevent such facilitation. The ACD and the Investment Manager take a zero tolerance approach towards the criminal facilitation of tax evasion and expect all Shareholders in the

Company to be fully compliant with all tax legislation to which they may be subject.

## 18 **Restrictions and Compulsory Transfer and Redemption**

18.1 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) or any country or territory. In this connection, the ACD may, among other things, reject in its discretion any application for the purchase, sale, transfer or switching of shares.

18.2 The ACD is also able to effect a compulsory redemption or switch of shares where a shareholding falls below the specified minimum holding (as set out in Appendix 1) and a compulsory redemption of shares to meet certain withholding tax requirements. Where a shareholding falls below the specified minimum due to market movement, the ACD will not effect a compulsory redemption or switch of shares.

18.3 The ACD reserves the right to refuse to accept an application to subscribe or redeem shares, or an instruction to switch Sub-funds, from persons that they reasonably believe are engaged in market timing or late trading.

## 19 **Deferred Redemptions**

19.1 If requested redemptions at a Valuation Point exceed 10% of a Sub-fund's value, in order to protect the interests of continuing Shareholders the redemptions may be deferred to the next Valuation Point in accordance with procedures that ensure the consistent treatment of Shareholders who have sought to redeem at that Valuation Point.

19.2 The procedures are that, to the extent redemption requests are deferred, deferral will be pro-rata based on the value of shares being redeemed and that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point.

## 20 **Suspension of Dealings in the Company**

20.1 The ACD may, with the agreement of the Depositary, or must if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of shares in the Company, if the ACD or the Depositary is of the opinion that due to exceptional circumstances it is in the interests of all the shareholders. The suspension will only be permitted to continue for as long as it is justified having regard to the interests of the shareholders. The ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

20.2 The ACD will notify all shareholders of the suspension in writing as soon as practicable and will publish details to keep shareholders appropriately informed about the suspension, including its likely duration.

20.3 Re-calculation of the share price for the purpose of sales and purchases will commence on the next relevant Valuation Point following the ending of the suspension.

## 21 **Governing Law**

All deals in shares are governed by English law.

## 22 **Valuation of the Company**

22.1 The price of a share in the Company is calculated by reference to the Net Asset Value of the Sub-funds to which it relates. The Net Asset Value per share is currently calculated at 12.00 (noon) on each Business Day (the “Valuation Point”)

22.2 The ACD may at any time during a Business Day carry out an additional valuation if the ACD considers it desirable to do so.

## 23 **Calculation of the Net Asset Value**

23.1 The value of the Scheme Property of the Company or of a Sub-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.

23.2 All the Scheme Property (including receivables) of the Company (or the Sub-fund) is to be included, subject to the following provisions.

23.3 Scheme Property which is not cash (or other assets dealt with in Section 23.4) or a contingent liability transaction shall be valued as follows and the prices used shall (unless indicated otherwise) be the most recent prices which it is practicable to obtain:

23.3.1 units or shares in a collective investment scheme:

23.3.1.1 if a single price for buying and selling units is quoted, at the most recent such price; or

23.3.1.2 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

23.3.1.3 if no price or no recent price exists, at a price which in the opinion of the ACD is fair and reasonable;

23.3.2 any other transferable security:

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

23.3.2.2 if separate buying and selling prices are quoted, the average of those two prices; or

- 23.3.2.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which in the opinion of the ACD reflects a fair and reasonable price for that investment; and
- 23.3.3 property other than that described in Sections 23.3.1 and 23.3.2 above, at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- 23.4 Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 23.5 Property which is a contingent liability transaction shall be treated as follows:
  - 23.5.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), the amount of the net valuation of premium receivable shall be deducted.
  - 23.5.2 if it is an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
  - 23.5.3 if the property is an off-exchange derivative, it will be included at a valuation method agreed between the ACD and Depositary;
  - 23.5.4 if it is any other form of contingent liability transaction, it will be included at the net value of margin on closing out (whether as a positive or negative value).
- 23.6 In determining the value of the Scheme Property, all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 23.7 Subject to Sections 23.8 and 23.9 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.
- 23.8 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 Section 23.7.
- 23.9 All agreements are to be included under Section 23.7 which are, or ought reasonably to have been, known to the person valuing the property.
- 23.10 An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax and advance corporation tax and value added tax will be deducted.
- 23.11 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.
- 23.12 The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.

- 23.13 An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.
- 23.14 Any other credits or amounts due to be paid into the Scheme Property will be added.
- 23.15 A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.
- 23.16 Currency or values in currencies other than the Base Currency shall be converted at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholder or potential Shareholders.
- 23.17 Where the ACD has reasonable grounds to believe that no reliable price exists for an investment at a Valuation Point; or that the most recent price available does not reflect the ACD's best estimate of the value of the investment at the Valuation Point, then the ACD may value the investment at a price which, in its opinion, reflects a fair and reasonable price for that investment.
- 23.18 Fair value pricing may be used if events materially affecting the value of foreign securities occur between the time when the exchange on which they are traded closes and the time when the NAV is calculated. The Sub-fund identifies possible fluctuations in international securities by monitoring the increase or decrease in the value of a designated benchmark index. In the event of an increase or decrease greater than predetermined levels, a Sub-fund may use a systematic valuation model provided by an independent third-party pricing service to fair value its international equity securities. Without a fair value price, short-term investors could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Foreign markets in which a Sub-fund buys securities may be open on days the UK and Irish markets are closed, causing a Sub-fund's NAV to change even though the Sub-fund is closed. While fair valuation of a Sub-fund's portfolio securities can serve to reduce arbitrage opportunities, there is no assurance that fair value pricing policies will prevent dilution of the NAV by short-term investors. Fair valuation involves subjective judgments, and it is possible that the fair value determined for a security may differ materially from the value that could be realised upon the sale of the security.
- 23.19 Pricing services, whether automated or not, of one or more third parties may be engaged to ascertain the value of any investment (in accordance with the valuation provisions set out herein). Pricing services will be selected by the ACD or a delegate of the ACD. The fee for engaging such pricing services will be paid by the ACD.

#### 24 **Price per Share in each Sub-fund and each Class**

The price per share at which shares are sold is the sum of the Net Asset Value of a share and any preliminary charge. The price per share at which shares are redeemed is the Net Asset Value per share less any applicable redemption charge. In addition, there may, for both purchases and sales, be a dilution adjustment, as described in Section 16 above



25           **Pricing Basis**

25.1           Shares in the Sub-funds are dealt on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the sale or redemption is agreed.

25.2           Shares in each Sub-fund will be issued and redeemed at a single price on each Dealing Day. The price for the issue of shares is calculated by taking the value of the relevant Sub-fund attributable to the relevant Share Class at the next Valuation Point of the Sub-fund; and dividing the result by the number of shares of the relevant Share Class in the relevant Sub-fund in issue immediately before the Valuation Point concerned. The price per share may be adjusted on any Dealing Day subject to a Dilution Adjustment as set out at Section 16.

26           **Publication of Prices**

The most recent prices of shares are published daily on the Investment Manager's website [www.johcm.com](http://www.johcm.com) and can also be obtained by calling 0845 450 1970. As the ACD deals on a forward pricing basis, the price given on the website or over the telephone will not necessarily be the same as the one at which investors deal.

27           **Risk Factors**

Potential investors should consider the risk factors which are set out in Appendix 4 before investing in the Company.

28           **Fees and Expenses**

28.1           The Company may pay out of the property of the Company charges and expenses incurred by the Company, which will include the following expenses:

28.1.1           the fees and expenses payable to the ACD, the Investment Manager, the Depositary and the Administrator;

28.1.2           broker's commission (excluding payments for research), fiscal charges (including stamp duty and/or stamp duty reserve tax, where applicable) and other disbursements which are necessarily incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;

28.1.3           fees and expenses in respect of establishing and maintaining the register of Shareholders and any sub-register of Shareholders;

28.1.4           any costs incurred in or about the listing of shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of shares;

28.1.5           any costs incurred by the Company in publishing the price of the shares;

28.1.6           any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;

28.1.7           any fees, Performance Fee, expenses or disbursements of any legal or other professional adviser of the Company;

- 28.1.8 any costs incurred in taking out and maintaining any insurance policy in relation to the Company;
- 28.1.9 any costs incurred in respect of meetings of Shareholders convened for any purpose including those convened on a requisition by Shareholders not including the ACD or an associate of the ACD;
- 28.1.10 liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Company in consideration for the issue of shares as more fully detailed in the FCA Rules;
- 28.1.11 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- 28.1.12 taxation and duties payable in respect of the property of the Company or the issue or redemption of shares;
- 28.1.13 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
- 28.1.14 the fees of the FCA under the FCA Rules, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which shares in the Company are or may be marketed;
- 28.1.15 the Depository's expenses, as detailed in Section 31 below;
- 28.1.16 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; and
- 28.1.17 any payments otherwise due by virtue of the FCA Rules.
- 28.2 Value Added Tax is payable on these charges where appropriate.
- 28.3 Expenses are allocated between capital and income in accordance with the FCA Rules. To the extent that expenses are allocated to capital, this may in certain circumstances constrain capital growth.

## 29 **Charges Payable to the ACD**

- 29.1 In payment for carrying out its duties and responsibilities the ACD is entitled to take out of each Sub-fund an annual management charge, calculated as a percentage per annum of the Net Asset Value of each Sub-fund. Details of such annual management charge are set out for each Sub-fund in Appendix 1.
- 29.2 The annual management charge accrues on a daily basis by reference to the Net Asset Value of the relevant Sub-fund calculated at each daily Valuation Point (as referred to in Section 22.1) and is payable monthly in arrears on the last Business Day of each month.
- 29.3 The ACD is also entitled to reimbursement of all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including, where applicable, stamp duty and stamp duty reserve tax on transactions in shares.
- 29.4 At present the ACD's annual management charge is taken from the capital of each Sub-fund which may constrain capital growth.

29.5 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 Company or the preliminary charge unless, not less than 60 days before the introduction or increase, the ACD gives notice in writing of the introduction or increase and the date of its commencement to all Shareholders and has revised and made available the Prospectus to reflect the introduction of the new rate and the date of its commencement.

## 30 **Charges Payable to the Investment Manager**

### 30.1 **Annual Management Charge**

30.1.1 In payment for carrying out its duties and responsibilities the Investment Manager is entitled to take out of each Sub-fund an annual management charge, calculated as a percentage per annum of the Net Asset Value of each Sub-fund. Details of such annual management charge are set out for each Sub-fund in Appendix 1.

30.1.2 The annual management charge accrues on a daily basis by reference to the Net Asset Value of the relevant Sub-fund calculated at each daily Valuation Point (as referred to in Section 22.1 and is payable monthly in arrears on the last Business Day of each month.

30.1.3 The Investment Manager is also entitled to reimbursement of all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including, where applicable, stamp duty and stamp duty reserve tax on transactions in shares.

30.1.4 At present the Investment Manager's annual management charge is taken from the capital of each Sub-fund which may constrain capital growth.

30.1.5 The Investment Manager 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 Company or the preliminary charge unless, not less than 60 days before the introduction or increase, the ACD gives notice in writing of the introduction or increase and the date of its commencement to all Shareholders and has revised and made available the Prospectus to reflect the introduction of the new rate and the date of its commencement.

### 30.2 **Performance Fee**

#### 30.2.1 **General**

30.2.1.1 Subject to 30.2.1.2 below, the Investment Manager is entitled to a performance-related investment management fee (the "Performance Fee") in respect of the J O Hambro Capital Management UK Equity Income Fund, the J O Hambro Capital Management UK Opportunities Fund and the J O Hambro Capital Management UK Dynamic Fund.

30.2.1.2 No Performance Fee is payable in respect of (i) Class A Accumulating Shares, Class A Distributing Shares, Class X Accumulating Shares and Class X Distributing Shares in the J O Hambro Capital Management UK Opportunities Fund, or (ii) Class A Accumulating Shares, Class A Distributing Shares, Class M Accumulating Shares and Class M Distributing Shares in the J

O Hambro Capital Management UK Equity Income Fund, or (iii) Class A Accumulating Shares, Class A Distributing Shares, Class K Accumulating Shares, Class K Distributing Shares, Class L Accumulating Shares, Class L Distributing Shares, Class M Accumulating Shares and Class M Distributing Shares in the J O Hambro Capital Management UK Dynamic Fund.

30.2.1.3 The Performance Fee will be calculated from the outperformance of the relevant benchmark index specified for each of the Sub-funds listed in Section 30.2.1.1 above (as set out in Appendix 1) (each, the “Index”) by each Share Class using the methodology set out below. The Performance Fee is calculated separately for each Share Class and is payable annually in arrears. The Performance Fee can therefore vary between Share Classes.

30.2.1.4 Details of past performance against the target benchmark will be set out in the key investor information document and shall be available from the Manager or the Investment Manager upon request.

### 30.2.2 **Performance Period**

The Performance Fee will be calculated and accrued daily in respect of each calendar year ending 31 December (the “Performance Period”)<sup>1</sup>. The first Performance Period for which this methodology will apply is the Performance Period commencing 1 January 2023 and ending on 31 December 2023. Any underperformance from previous Performance Periods will be carried forward and included in this Performance Fee calculation.

### 30.2.3 **Performance Fee Calculation**

30.2.3.1 The amount of the Performance Fee payable in respect of each Share Class is a Sterling amount equal to 15% of the excess of the Net Asset Value over the Index Adjusted Net Asset Value (defined below) of a Share Class.

30.2.3.2 The “Index Adjusted Net Asset Value” of a Share Class is the Net Asset Value of the Share Class as at the end of the last Performance Period after which a Performance Fee was paid (or if no Performance Fee has yet been paid, the initial offer price multiplied by the number of class shares issued at the end of the Initial Offer Period) adjusted on each Dealing Day by the value of any subscriptions or redemptions and adjusted by the compounded daily return of the Index over the course of the Performance Period. The daily return of the Index will be calculated in the currency of each Share Class (if the Share Class is not a hedged Share Class) or in the hedged currency where it is a hedged Share Class.

30.2.3.3 In the event that a Shareholder redeems during a Performance Period, any performance fee accrued up until the time of their

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<sup>1</sup> Where a Share Class is launched in a calendar year, the first Performance Period for that Share Class will end on 31 December of the following calendar year (and not the calendar year in which the Share Class launches).

redemption will be payable on a *pro rata* basis. Therefore, it is possible a Performance Fee may be paid even though at the end of the Performance Period the Net Asset Value per share has fallen back below the Index Adjusted Net Asset Value.

30.2.3.4 If at the end of the relevant Performance Period, the performance of the Net Asset Value exceeds the Index Adjusted Net Asset Value, the Performance Fee shall be equal in aggregate to 15% of the amount by which the Net Asset Value exceeds the Index Adjusted Net Asset Value of the relevant Share Class as at the end of the relevant Performance Period. For the avoidance of doubt, this means the Performance Fee will be payable on the relative return over the Index rather than any absolute return over the Net Asset Value per Share Class.

30.2.3.5 The use of an Index Adjusted Net Asset Value ensures that Shareholders will not be charged a Performance Fee until any previous shortfalls relative to the Index Adjusted Net Asset Value are recovered. However, the contribution of different Shareholders to that Performance Fee will vary depending on the relative amounts of under- and over-performance during their periods of share ownership.

30.2.3.6 It also means that the Performance Fee will be payable on the relative return of the Net Asset Value against the Index Adjusted Net Asset Value and that a Performance Fee will be payable if the Net Asset Value has outperformed the Index Adjusted Net Asset Value during the Performance Period even where the Net Asset Value per share has decreased. A worked example of how the Performance Fee will be calculated during a Performance Period including this situation is set out in Appendix 8.

30.2.3.7 Any excess performance will be calculated net of all costs, including any Performance Fee already accrued in the Performance Period.

#### 30.2.4 **Timing**

The Performance Fee will be calculated and accrue on each Dealing Day and become payable to the Investment Manager on 31 December each year. The Performance Fee will be paid annually in arrears in or about the third week of January. The amount of the Performance Fee is calculated by the Administrator and the calculation is verified by the Depositary. The Performance Fee in respect of any shares redeemed in a period of outperformance during a Performance Period and for which a share of the Performance Fee was crystallised at the point of redemption will be paid on a quarterly basis.

#### 30.2.5 **Warnings**

30.2.5.1 The Performance Fee is based on net realised and net unrealised gains and losses at the end of the Performance Period and as a result, the Performance Fee may be paid on unrealised gains that may never subsequently be realised.

30.2.5.2 As stated, in the event that a Shareholder redeems during a Performance Period, any performance fee accrued up until the time of their redemption will be payable on a pro rata basis. Therefore, it is possible a Performance Fee may be paid even though at the end of the Performance Period the Net Asset Value per share has fallen back below the Index Adjusted Net Asset Value.

30.2.5.3 The Index is intended solely for the purposes of calculating the Performance Fee. There can be no assurance that the performance of the Fund shall exceed the Index and the Investment Manager shall not be liable solely for the failure of the Fund to generate returns in excess of the Index.

## 31 **Depository's Fee**

31.1 The Depository receives for its own account a periodic fee for the depository services it provides which will accrue daily and be payable monthly in arrears as soon as practicable following the last Business Day of each month and in any event within 30 days of the delivery of an invoice. The fee is calculated by reference to the value of the Company as a whole on the last Business Day of the preceding month. The fee is payable out of the property attributable to each Sub-fund on a pro-rata basis determined on the same value date. The current rate of the fees payable to the Depository is as follows:

| <b>Net Asset Value of the Company (£)</b> | <b>Fee Rate (Basis Points)</b> |
|---|--------------------------------|
| First £2.5 billion                        | 0.750                          |
| Next £2.5 billion                         | 0.675                          |
| Next £5 billion                           | 0.600                          |
| Over £10 billion                          | 0.525                          |

A Basis Point is equivalent to 0.01%.

31.2 These rates can be varied from time to time as agreed between the ACD and the Depository, subject always to compliance with the FCA Handbook.

31.3 The first calculation of the Depository's fees in relation to any Sub-fund will take place in respect of the period beginning on the day on which the first valuation of that Sub-fund is made and ending on the last Business Day of the month in which that day falls. The fees will accrue daily.

31.4 The Northern Trust Company (UK Branch) is entitled to receive from the Scheme Property fees in relation to the provision of custodian and safekeeping services. The amount of the custodian fees vary, dependent on the markets and the value of the stock involved and currently range between £4 - £111 per transaction 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 Business Day of the month when such charges arose or as otherwise agreed between the Depository, the ACD and The Northern Trust Company (UK Branch).

Safekeeping charges again vary depending on the markets and the value of the stock involved and currently range between 0.19 basis points per annum and 26.25 basis points per annum, subject to a minimum charge of £1,350 per Sub-fund per annum (exclusive of any dealing charges or out-of-pocket expenses). Safekeeping fees shall accrue as agreed from time to time between the ACD, the Depositary and The Northern Trust Company (UK Branch), but no later than the last Business Day of each month and shall be paid as soon as reasonably practicable after they accrue. These custody and safekeeping rates can be varied from time to time as agreed between the ACD, the Depositary and The Northern Trust Company (UK Branch), subject always to compliance with the FCA Handbook.

31.5 The Depositary will also be paid out of the property attributable to each Sub-fund, expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, the FCA Handbook or by the general law including but not limited to:

- (i) the acquisition holding and disposal of property;
- (ii) the collection and distribution to Shareholders of dividends, interest and any other income;
- (iii) the maintenance of distribution accounts;
- (iv) the conversion of foreign currency;
- (v) registration of assets in the name of the Depositary or its nominee or agents;
- (vi) borrowings, stock lending or other permitted transactions;
- (vii) communications with any parties (including telex, facsimile, SWIFT and electronic mail);
- (viii) taxation matters;
- (ix) insurance matters;
- (x) costs relating to banking and banking transactions;
- (xi) preparation of the Depositary's annual report;
- (xii) taking professional advice;
- (xiii) conducting legal proceedings;
- (xiv) the convening and/or attendance at meetings of Shareholders; and
- (xv) modification of the Instrument of Incorporation, Prospectus, and negotiation and/or modification of the Depositary Agreement and any other agreement entered into between the Depositary and its delegates.

As at the date of this Prospectus, the expense incurred by The Northern Trust Company (UK Branch), in relation to stock lending transactions is equal to 20% of the gross income generated for the relevant Sub-fund by the stock lending activity transaction.

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

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

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

31.9 Expenses not directly attributable to a particular Sub-fund will be allocated between Sub-funds. In each such case such expenses and disbursements will also be payable if incurred by any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the FCA Rules by the Depositary.

## 32 **Administration Fees and Expenses**

### 32.1 **Fund Accounting and Valuation**

32.1.1 As the provider of fund accounting and valuation services, The Northern Trust Company (UK Branch), is entitled to receive out of the property of the Company for its own account, by way of remuneration, a periodic fee which will accrue daily and be payable monthly in arrears. The rate of the periodic charge will be such amount as the ACD and The Northern Trust Company (UK Branch), may from time to time agree, subject always to compliance with the FCA Handbook. The current fee is based on a fee schedule covering various processes and is therefore only partly related to the value of the scheme property of the Company. In return for the provision of the fund accounting and valuation services, The Northern Trust Company (UK Branch) is entitled to a fee payable out of the NAV of each Sub-fund (plus VAT, if any) at a rate which will not exceed 0.75 basis points per annum.

### 32.2 **Administrator and Registrar**

32.2.1 The Northern Trust Company (UK Branch), as Administrator, will be entitled by way of remuneration for the transfer agency functions for which it is responsible, to receive for its own account fees which are payable monthly out of the scheme property attributable to each Sub-fund. The current rates of fees payable to the Administrator are set out below:

32.2.1.1 a maintenance and servicing fee of £375 per share class per annum;

32.2.1.2 an accounts maintenance fee of £10 per account per annum;

32.2.1.3 processing fees of £5 per electronic transaction and £10 per manual transaction;

32.2.1.4 processing fees of £10 per DVP / DOP transaction;

32.2.1.5 dividend processing fees of £1,125 per event per share class; and

32.2.1.6 other fees as agreed with the ACD.

## 33 **Shareholder Meetings and Voting Rights**

### 33.1 **Annual General Meeting**

The Company will not hold annual general meetings.



33.2           **Requisitions of Meetings**

33.2.1           The ACD may requisition a general meeting at any time.

33.2.2           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.

33.3           **Notice and Quorum**

Shareholders will receive at least 14 days' 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. 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.

33.4           **Voting Rights**

33.4.1           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.

33.4.2           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.

33.4.3           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.

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

33.4.5           The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the FCA Rules) of the ACD is entitled to vote at any meeting of the Company except in respect of shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

33.4.6           “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 persons who are known to the ACD not to be Shareholders at the time of the meeting.

## 34 **Class and Sub-fund Meetings**

The above provisions, unless the context otherwise requires, apply to Share Class and Sub-fund meetings as they apply to general meetings of Shareholders.

## 35 **Variation of Class Rights**

The rights attached to a class or Sub-fund may not be varied without the sanction of a resolution passed at a meeting of Shareholders of that Share Class or Sub-fund by a seventy-five per cent majority of those votes validly cast for and against such resolution.

## 36 **Taxation**

### 36.1 **General**

The information outlined below is intended as a general guide only and is based on current UK law and HM Revenue and Customs practice, both of which are subject to change. It summarises the tax position of the Company and of Shareholders who are UK resident for tax purposes and who are the beneficial owners of shares which are held as investments. The summary may not apply to certain classes of investor (such as financial institutions and dealers in securities). Shareholders who are in any doubt about their tax position are recommended to seek professional advice.

### 36.2 **The Company**

#### 36.2.1 **Income**

The Company will be liable to corporation tax on its taxable income (including any offshore income gains arising on a disposal of a relevant interest in non-reporting offshore funds) at a current rate of 20% after deducting management and other allowable expenses (including the gross amount of any interest distributions the Company makes or is deemed to make). Dividend income received by the Company will not normally be taxed provided it falls within one the several exempt classes set out in Part 9A of the Corporation Tax Act 2009 (“CTA 2009”). Where the Company suffers foreign tax on income it receives, this may, in certain circumstances, be deducted from any UK tax which is due on that income.

#### 36.2.2 **Capital gains**

The Company is generally exempt from UK tax on capital gains arising on the disposal of its investments.

#### 36.2.3 **Stamp duty reserve tax (“SDRT”)**

36.2.3.1 No SDRT charge arises on the issue or surrender of shares of OEICs. However, investors may be subject to a SDRT charge where Shares in the Company are surrendered and the investors receive assets from the Company (rather than cash) which are not in proportion to the investor's share of the total assets held by the Company.

- 36.2.3.2 SDRT is generally charged on any agreements to transfer shares of OEICs to third parties at a rate of 0.5% of the consideration.
- 36.2.4 Certain German tax considerations may apply to certain Sub-funds, pursuant to the German Investment Tax Act (2018), Sec.2 para.6 sent.1 and where such considerations apply, this will be disclosed in the relevant section of Appendix 1.
- 36.3 **The Shareholder**
- 36.3.1 Individual Shareholders
- In respect of the Distributing Shares, the Company will generally make dividend distributions which broadly reflect any income arising from its investments. For individual shareholders who are resident in the UK for tax purposes the first £2,000 of dividend income is taxed at 0% for the tax year 2022/2023. Any dividend income above £2,000 is taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers and 39.35% for additional rate taxpayers.
- 36.3.2 Non Residents
- Shareholders who are non UK resident will not normally be liable to UK tax on dividends. No withholding tax is currently levied in the UK on a dividend distribution made by the Company. Non-UK resident shareholders are recommended to seek professional advice as to the tax consequences of receiving a dividend distribution under the law of the jurisdiction of their residence.
- 36.3.3 Corporate Shareholders
- Dividend distributions received by corporate shareholders chargeable to UK corporation tax will need to be streamed into ‘franked’ and ‘unfranked’ income according to the underlying gross income of the Company.
- In broad terms, the portion treated as being ‘franked’ will be such proportion of the Company’s total income (brought into account when determining the distribution for the period in question) which consists of dividend income received which is treated as exempt under Part 9A of CTA 2009. The ‘franked’ portion will be treated as exempt dividend income when received by a UK resident corporate shareholder (unless the shareholder is treated as a dealer in securities for tax purposes under regulation 52E of the Authorised Investment Funds (Tax) Regulations 2006). The ‘unfranked’ portion will be treated as an annual payment from which income tax at a rate of 20% has been deducted. A UK resident corporate shareholder will, therefore, be subject to corporate tax at the rate applicable to that corporate shareholder but with credit for the income tax deducted. Such shareholders may, therefore, be liable to further tax and any ability to claim repayment of the income tax credit will be limited to the corporate shareholder’s share of the Company’s liability to corporation tax for the distribution period in question.
- There is no longer a requirement to deduct UK income tax at source from interest distributions from OEICs to a corporate investor.
- 36.3.4 Capital gains
- Capital gains made by individual Shareholders who are resident in the UK for tax purposes on the sale, disposal or as a result of any other chargeable event will be

tax free if they fall within an individual's annual capital gains exemption. For the tax year 2022/2023, the first £12,300 of an individual's chargeable gains (that is after deduction of allowable losses) from all sources will, therefore, be exempt from capital gains tax. Subject to their personal circumstances, gains in excess of this amount are taxed at 10% for basic rate taxpayers and 20% for higher and additional rate taxpayers.

Shareholders who are non UK resident will not normally be liable to UK tax on capital gains arising on a sale, disposal or other chargeable event unless the shareholding is connected with a trade carried on by the Shareholder through a permanent establishment or agency or certain anti-avoidance provisions relating to temporary non-UK residence apply.

Capital gains made by Shareholders liable to UK corporation tax will be taxable at the corporation tax rate applicable to that corporate Shareholder after taking account the availability of any indexation relief. The indexation allowance was frozen for corporation tax purposes with effect from 31 December 2017. The main rate of corporation tax is currently 19% for the tax year 2022/2023.

### 36.3.5

#### International tax reporting

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

The International Tax Compliance Regulations 2015 give effect to:

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

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

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

European Council Directive 2017/0138 as it applies in the UK from time to time regarding the mandatory automatic exchange of information in the field of taxation in relation to cross-border arrangements which satisfy certain hallmarks may mean that transactions contemplated by this prospectus will need to be disclosed to HMRC, and HMRC will pass the relevant details to one or more European tax authorities. The scope of the arrangements and hallmarks are very wide and are not limited to aggressive tax planning. The rules apply retrospectively to any arrangements put in place on or after 25 June 2018.

36.3.6 German Investment Tax Act

At all times more than 50% of the total assets of the J O Hambro Capital Management UK Equity Income Fund, the J O Hambro Capital Management UK Opportunities Fund and the J O Hambro Capital Management UK Dynamic Fund will be invested in equity securities within the meaning of the German Investment Tax Act (2018).

37 **Income Equalisation**

37.1 Income equalisation, as explained below, may apply in relation to the Company, as detailed in Appendix 1.

37.2 Part of the purchase price of a share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a Shareholder with the first allocation of income in respect of a share issued during an accounting period.

37.3 The amount of income equalisation is either the actual amount of income included in the issue price of that share or is calculated by dividing the aggregate of the amounts of income included in the price of shares issued or sold to Shareholders in an annual or interim accounting period by the number of those shares and applying the resultant average to each of the shares in question.

38 **Winding up of the Company or a Sub-fund of the Company**

38.1 The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the FCA Rules. A Sub-fund may only be wound up under the FCA Rules.

38.2 Where the Company or a Sub-fund is to be wound up under the FCA Rules, 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 the FCA Rules if there is a vacancy in the position of ACD at the relevant time.

38.3 The Company or a Sub-fund may be wound up under the FCA Rules if:

38.3.1 an extraordinary resolution to that effect is passed by Shareholders; or

38.3.2 the period (if any) fixed for the duration of the Company or a Sub-fund by the Instrument of Incorporation expires, or an event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company or a Sub-fund is to be wound up (for example, if the share capital of the Company is below

its prescribed minimum or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is less than £10,000,000, 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 Sub-fund); or

- 38.3.3 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 Sub-fund;
- 38.4 On the occurrence of any of the above:
  - 38.4.1 the parts of the FCA Rules and the Instrument of Incorporation relating to Pricing and Dealing and Investment and Borrowing will cease to apply to the Company or the Sub-fund;
  - 38.4.2 the Company will cease to issue and cancel shares in the Company or the Sub-fund and the ACD shall cease to sell or redeem shares or arrange for the Company to issue or cancel them for the Company or the Sub-fund;
  - 38.4.3 no transfer of a share shall be registered and no other change to the register shall be made without the sanction of the ACD;
  - 38.4.4 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;
  - 38.4.5 the corporate status and powers of the Company and, subject to the provisions of Sections 38.4.1 and 38.4.4 above, the powers of the ACD shall remain until the Company is dissolved.
- 38.5 The ACD shall, as soon as practicable after the Company or the Sub-fund falls to be wound up, realise the assets and meet the liabilities of the Company or the Sub-fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds remaining (if any) to Shareholders proportionately to their rights to participate in the Scheme Property of the Company or Sub-fund. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company or Sub-fund to be realised, the ACD shall arrange for the Depositary to also make a final distribution to Shareholders (if any Scheme Property remains to be distributed) on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or Sub-fund.
- 38.6 As soon as reasonably practicable after completion of the winding up of the Company or Sub-fund, the ACD shall notify the FCA.
- 38.7 On completion of a winding up of the Company, 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.
- 38.8 Following the completion of the winding up of the Company, the ACD shall notify the Registrar of Companies and shall notify the FCA that it has done so.
- 38.9 Following the completion of the winding up of the Company or Sub-fund, 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, to each Shareholder and, in the case of the winding up of the Company, to the Registrar of Companies within two months of the termination of the winding up.

As the Company is an umbrella company, any liabilities attributable or allocated to a Sub-fund under the FCA Rules shall be met solely out of the Scheme Property attributable or allocated to that Sub-fund.

## 39 **Securities Financing Transactions**

- 39.1 The ACD is subject to the provisions of the European Regulation on Reporting and Transparency of Securities Financing Transactions as it applies in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11 pm on 31 December 2020 (the "SFTR"). The SFTR sets out certain disclosure requirements regarding the use of securities financing transactions ("SFTs") and total return swaps ("TRSs"), as set out below.
- 39.2 SFTs are defined in the SFTR as a repurchase or reverse-repurchase transaction, securities or commodities lending and securities or commodities borrowing, a buy-sell back transaction or sell-buy back transaction or a margin lending transaction for efficient portfolio management purposes. The Sub-funds may enter into stock lending transactions and therefore are subject to provisions of the SFTR. The limitations on the use of SFTs are set out in Section 2 of Appendix 2. The Sub-funds' use of SFTs is consistent with their respective investment objectives and policies, and accordingly SFTs may be used to reduce risk, reduce cost and/or generate additional capital or income with a risk level that is consistent with that of the relevant Fund and the risk diversification rules laid down in the FCA Handbook.
- 39.3 Subject to the limitations referred to above, any assets of a Sub-fund may be subject to SFTs. Up to 100% of a Sub-fund's assets may be the subject of SFT(s), with an expectation that at any time up to 10% of a Sub-fund's assets may be subject to such arrangements.
- 39.4 SFTs will only be entered into with "approved counterparties" as defined in the FCA Handbook. Other than this restriction, there are no pre-specified restrictions on the legal status, country of origin or minimum credit rating of any counterparty in such transactions.
- 39.5 The types of acceptable collateral, as well as the diversification requirements, are set out in Section 2.2 of Appendix 2. Any collateral obtained by a Sub-fund pursuant to an SFT will be valued in accordance with the ACD's collateral management policy.
- 39.6 The section of this Prospectus entitled "Risk Factors" provides a description of the risks associated with the use of stock lending.
- 39.7 The assets of a Sub-fund that are subject to SFTs and any collateral received are held by the Depositary.
- 39.8 The reuse of collateral is limited by the FCA Handbook to certain asset classes. Such reuse should not result in a change to a Sub-fund's investment objectives

nor increase substantially a Sub-fund's risk profile. The relevant diversification requirements are set out in the ACD's collateral management policy.

39.9 All of the revenues arising from SFTs, net of direct and indirect operational costs, will be retained by the relevant Sub-fund.

39.10 The ACD will disclose in the Company's annual report certain information regarding its use of SFTs.

## 40 **General Information**

### 40.1 **Accounting Periods**

The annual accounting period of the Company ends each year on 31 December (the accounting reference date). The interim accounting period of the Company ends each year on 30 June.

### 40.2 **Income Allocations**

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

40.2.2 Both distributions of income in respect of Distributing Shares for the Company and allocations in respect of Accumulating Shares occur on or before the following dates:

40.2.2.1 the annual income allocation date of 28 February, and

40.2.2.2 the following interim income allocation dates for the Sub-funds listed below:

(i) in respect of the J O Hambro Capital Management UK Dynamic Fund, on or before 31 August; and

(ii) in respect of the J O Hambro Capital Management UK Equity Income Fund, or on or before 31 May, 31 August and 30 November.

40.2.3 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 Company.

40.2.4 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 Sub-fund in respect of that period, and deducting the charges and expenses of that Sub-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 which the ACD considers appropriate after consulting the auditors.

### 40.3 **Historical Performance Information**

Information on the historical performance of the Sub-funds is contained in Appendix 6.



- 40.4           **Annual Reports**
- 40.4.1         Annual reports of the Company will be published within four months of each annual accounting period and interim reports will be published within two months of each interim accounting period.
- 40.4.2         The Company prepares a report in relation to each annual and interim accounting period.
- 40.4.3         Copies of the reports will be supplied to any shareholder on request and will be available for inspection by the general public at the ACD's office and on the Investment Manager's website [www.johcm.com](http://www.johcm.com).
- 40.5           **Documents Relating to the Company**
- 40.5.1         The following documents may be inspected free of charge between 9.00 a.m. and 5.00 p.m. every Business Day at the offices of the ACD:
- 40.5.1.1         the most recent annual and interim reports of the Company;
- 40.5.1.2         the Instrument of Incorporation (and any amending instrument of incorporation); and
- 40.5.1.3         the Prospectus.
- 40.5.2         A copy of the following documents are available to Shareholders on written request to the ACD:
- 40.5.2.1         the ACD Agreement; and
- 40.5.2.2         copies of any contracts of service between the Sub-fund and its directors, including the ACD.
- 40.5.3         The ACD may make a charge at its discretion for copies of documents, other than for copies of the long reports referred to in Section 40.4 above.
- 40.6           **Complaints**
- Complaints concerning the operation or marketing of the Company should be referred to the compliance officer of the ACD in the first instance. If the complaint is not dealt with satisfactorily then it can be made direct to The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Further details of the ACD's complaints handling policy are available on request.
- Shareholders may be entitled to compensation from the Financial Services Compensation Scheme if the Company cannot meet its obligations. This depends on the type of business and circumstances of the claim. In respect of most types of investment business, the first £50,000 is protected in full. Further information about compensation arrangements is available from the Financial Services Compensation Scheme website [www.fscs.org.uk](http://www.fscs.org.uk).
- 40.7           **Notice to Shareholders**

Any notice or document will be served on Shareholders, by post, at their respective registered address.

40.8 **Execution Policy**

The Investment Manager will execute the purchases and sales of underlying investments in accordance with the Investment Manager's execution policy. A copy of a summary of the Investment Manager's execution policy is available on its website at [www.johcm.com](http://www.johcm.com) and hard copies on request.

40.9 **Voting**

The Investment Manager will exercise voting rights in relation to underlying investments. A copy of a summary of the Investment Manager's voting policy is available on request.

40.10 **Deposits in Third Party Accounts**

Money deposited into an account with a third party may have a security interest, lien or right of set-off in relation to the money, to the extent permitted by the FCA Handbook.

40.11 **Risk Management**

Upon request to the ACD a Shareholder can receive information relating to:

40.11.1 the quantitative limits applying in the risk management of the Company;

40.11.2 the methods used in relation to Section 40.11.1; and

40.11.3 any recent developments of the risk and yields of the main categories of investment in the Company.

40.12 **Benchmark Regulation**

The benchmark utilised by certain Sub-funds is provided by an administrator that is listed on the register of benchmarks and administrators maintained by the FCA, as required by the Benchmark Regulation.

## APPENDIX 1

### Investment Objectives, Policies and Other Details

Investment of the assets of the Company must comply with the FCA Rules and its investment objective and policy. Details of the investment objective and policy, together with certain other information are set out below and overleaf.

#### **J O Hambro Capital Management UK Equity Income Fund**

**PRN: 638418**

#### **Investment Objective**

The Sub-fund's investment objective is to generate a level of income which increases year on year as well as the potential to grow the amount invested over a rolling period of seven to ten years. The Sub-fund's target is to have a return greater than the FTSE All-Share Total Return index (12pm adjusted), which is used in the calculation of performance fees.

#### **Investment Policy**

At least 90% of the Sub-fund is invested in the shares of companies which are listed on the London Stock Exchange (or other UK exchanges). These will include large, medium and small-sized companies. The Sub-fund is not expected to invest more than 25% in the shares of smaller companies, which are widely viewed as being riskier than shares in larger companies. Investing in shares of smaller companies enables the Sub-fund to find dividend income in a broader set of companies and, in the opinion of the fund managers, differentiates the Sub-fund from other similar funds.

At all times at least two thirds of the Sub-fund is invested in the shares of companies that are domiciled, incorporated or have a significant portion of their business in the UK.

The Sub-fund invests in businesses that are out of favour with many other investors but which the fund managers believe are undervalued at their current share price. These are companies which pay a dividend and where the fund managers believe the company will grow its dividend over time. Every share held in the Sub-fund has a prospective dividend yield (the total annual dividends paid by the company expressed as a percentage of its share price) greater than the average dividend yield of the FTSE All-Share Total Return index, at the time the share was first purchased, and with a strict selling discipline once a company's dividend yield falls below the average level.

Other than investing in shares, the Sub-fund may also invest in money market instruments, deposits, warrants and units in other collective investment schemes.

#### **Benchmark**

The Sub-fund's performance may be measured against the FTSE All-Share Total Return index (12pm adjusted, the "Index"). The Index is used as a target benchmark for the Sub-fund as a Performance Fee for certain share classes in the Sub-fund is payable when the performance of the Sub-fund exceeds that of the Index. The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Sub-fund may differ significantly from those of the Index, however it may influence the weightings of investments in components of the Index. The Index is used as it is the broadest available index of shares listed on the London Stock Exchange, representing at least 98% of the market value of the shares listed.

## Target Market

The J O Hambro Capital Management UK Equity Income Fund is designed for investors who want a level of income which increases year on year as well as the potential to grow the amount invested from an investment in an actively managed portfolio of UK equities.

Investors should understand the Sub-fund's risks and that it is designed to be used as one component of several in a diversified investment portfolio. The Sub-fund will allow investors ready access to their investment although they should intend to invest their money for the long term i.e. at least seven to ten years.

This Sub-fund is not designed for investors who are seeking a single investment or cannot afford capital loss of their investment.

Investment into the Sub-fund is not appropriate for investors who:

1. Are looking for full capital protection or full repayment of the amount invested;
2. Are fully risk adverse/have no risk tolerance; or
3. Need a fully guaranteed income or fully predictable return profile.

## Distribution channel

The Sub-fund is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

## ISINs

GB00B03KR617 B Distributing

GB00B03KR831 B Accumulating

GB00B03KP231 A Distributing

GB00B03KR500 A Accumulating

GB00B95FCK64 Y Distributing

GB00B8FCHK57 Y Accumulating

GB00BYV9S217 X Distributing

GB00BRJRX676 M Accumulating

GB00BRJRX783 M Distributing



| <b>Classes of shares available</b>                   | <b>Class A Accumulating Shares</b> | <b>Class A Distributing Shares</b> | <b>Class B Accumulating Shares*</b> | <b>Class B Distributing Shares*</b> | <b>Class Y Accumulating Shares*</b> | <b>Class Y Distributing Shares*</b> | <b>Class X Distributing Shares*</b> | <b>Class M Accumulating Shares</b> | <b>Class M Distributing Shares</b> |
|--|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| <b>Currency of denomination</b>                      | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                    | Pounds Sterling                    |
| <b>Minimum initial investment</b>                    | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              | £100,000,000                        | £250,000,000                       | £250,000,000                       |
| <b>Minimum subsequent investment</b>                 | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained | None as long as minimum maintained |
| <b>Minimum withdrawal</b>                            | None                               | None                               | None                                | None                                | None                                | None                                | None                                | None                               | None                               |
| <b>Minimum holding</b>                               | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              | £100,000,000                        | £250,000,000                       | £250,000,000                       |
| <b>ACD's preliminary charge</b>                      | 5%                                 | 5%                                 | 5%                                  | 5%                                  | Nil                                 | Nil                                 | Nil                                 | Nil                                | Nil                                |
| <b>ACD's Annual Management Charge</b>                | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  |
| <b>Investment Manager's Annual Management Charge</b> | 0.67% of NAV p.a.                  | 0.67% of NAV p.a.                  | 1.17% of NAV p.a.                   | 1.17% of NAV p.a.                   | 0.545% of NAV p.a.                  | 0.545% of NAV p.a.                  | 0.47% of NAV p.a.                   | 0.37% of NAV p.a.                  | 0.37% of NAV p.a.                  |
| <b>Annual accounting date</b>                        | 31 December                        | 31 December                        | 31 December                         | 31 December                         | 31 December                         | 31 December                         | 31 December                         | 31 December                        | 31 December                        |

| <b>Classes of shares available</b>     | <b>Class A Accumulating Shares</b> | <b>Class A Distributing Shares</b> | <b>Class B Accumulating Shares*</b> | <b>Class B Distributing Shares*</b> | <b>Class Y Accumulating Shares*</b> | <b>Class Y Distributing Shares*</b> | <b>Class X Distributing Shares*</b> | <b>Class M Accumulating Shares</b> | <b>Class M Distributing Shares</b> |
|--|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| <b>Interim accounting date</b>         | 30 June                            | 30 June                            | 30 June                             | 30 June                             | 30 June                             | 30 June                             | 30 June                             | 30 June                            | 30 June                            |
| <b>Annual income allocation date</b>   | 28 February                        | 28 February                        | 28 February                         | 28 February                         | 28 February                         | 28 February                         | 28 February                         | 28 February                        | 28 February                        |
| <b>Interim income allocation dates</b> | 31 May, 31 August and 30 November  | 31 May, 31 August and 30 November  | 31 May, 31 August and 30 November   | 31 May, 31 August and 30 November   | 31 May, 31 August and 30 November   | 31 May, 31 August and 30 November   | 31 May, 31 August and 30 November   | 31 May, 31 August and 30 November  | 31 May, 31 August and 30 November  |
| <b>Invest in Eligible Markets</b>      | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3            | As listed in Appendix 3            |
| <b>Income Equalisation</b>             | Yes                                | Yes                                | Yes                                 | Yes                                 | Yes                                 | Yes                                 | Yes                                 | Yes                                | Yes                                |

\*In addition, please note that a Performance Fee is also available, calculated in accordance with Section 30. The AMC is calculated on the NAV before any Performance Fee accrual. There is no Performance Fee payable in relation to Class A Accumulating Shares, Class A Distributing Shares, Class M Accumulating Shares and Class M Distributing Shares.

## **J O Hambro Capital Management UK Opportunities Fund**

**PRN: 638420**

### **Investment Objective**

The Sub-fund's investment objective is to achieve capital growth over a rolling seven to ten year period as well as providing income. The Sub-fund's target is to have a return greater than the FTSE All-Share Total Return index (12pm adjusted), which is used in the calculation of performance fees.

### **Investment Policy**

At least two thirds of the Sub-fund is invested in the shares of companies which are domiciled, incorporated or have a significant portion of their business in the UK. Up to 10% of the Sub-fund may be invested in the shares of non-UK listed companies. Up to one third of the Sub-fund may be held in cash, money market instruments, deposits, warrants and units in other collective investment schemes. The Sub-fund will invest in a concentrated portfolio of 20-40 companies.

The fund managers aim to identify companies which meet their strict criteria of quality and valuation. Quality is assessed through many measures, including analysis of company's financial statements, how management are allocating capital, whether levels of debt are suitable for the business model and how cash flows will be maintained and grown in the future. A good company needs to come at the right price and the fund managers look to buy companies below the value of their long-term cash flows.

Periods may arise when the fund managers do not identify sufficient companies that meet their quality and valuation criteria, and as a consequence the amount of cash held by the Sub-fund could increase towards the maximum holding of one third of the Sub-fund. In those circumstances, the proportion of the Sub-fund which is invested in companies that are either domiciled, incorporated or have a significant portion of their business in the UK could fall to below two thirds of the Sub-fund. The fund managers expect that at all times two thirds of the Sub-fund will be invested in companies listed on the London Stock Exchange.

The fund managers engage with the management of the companies in which the Sub-fund invests to encourage capital allocation and governance policies which are sustainable for the company's business, its customers, suppliers and the industry and the environment in which it operates.

### **Benchmark**

The Sub-fund's performance may be measured against the FTSE All-Share Total Return Index (12pm adjusted, the "Index"). The Index is used as a target benchmark for the Sub-fund as the Performance Fee for certain share classes in the Sub-fund is payable when the performance of the Sub-fund exceeds that of the Index. The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Sub-fund may differ significantly from those of the Index. The Index is used as it is the broadest available index of shares listed on the London Stock Exchange, representing at least 98% of the market value of the shares listed.

### **Target Market**

The Sub-fund is designed for investors who want capital growth as well as income from an investment in a portfolio of primarily UK equities.

Investors should understand the Sub-fund's risks and that it is designed to be used as one component of several in a diversified portfolio. The Sub-fund will allow investors ready access to



their investment, although they should intend to invest their money for the long-term (i.e. 7-10 years).

This Fund is not designed for investors who are seeking a single investment or who cannot afford capital loss of their investment.

Investment into the Sub-fund is not appropriate for investors who:

1. Are looking for full capital protection or full repayment of the amount invested;
2. Are fully risk averse/ have no risk tolerance; or
3. Need a fully guaranteed income or fully predictable return profile

The Sub-fund is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

### **ISINs**

GB00B0LLB757 B Accumulating

GB00B3K76P86 B Distributing

GB00B0LLB641 A Accumulating

GB00B3K76Q93 A Distributing

GB00B95MSF49 X Distributing

GB00BQJZQQ53 X Accumulating

GB00B95J5C19 Y Distributing

GB00B95HP811 Y Accumulating

| <b>Classes of shares available</b>                   | <b>Class A Accumulating Shares</b> | <b>Class A Distributing Shares</b> | <b>Class B Accumulating Shares*</b> | <b>Class B Distributing Shares*</b> | <b>Class Y Accumulating Shares*</b> | <b>Class Y Distributing Shares*</b> | <b>Class X Accumulating Shares</b> | <b>Class X Distributing Shares</b> |
|--|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| <b>Currency of denomination</b>                      | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                    | Pounds Sterling                    |
| <b>Minimum initial investment</b>                    | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              | £50,000,000                        | £50,000,000                        |
| <b>Minimum subsequent investment</b>                 | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained | None as long as minimum maintained |
| <b>Minimum withdrawal</b>                            | None                               | None                               | None                                | None                                | None                                | None                                | None                               | None                               |
| <b>Minimum holding</b>                               | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              | £50,000,000                        | £50,000,000                        |
| <b>ACD's preliminary charge</b>                      | 5%                                 | 5%                                 | 5%                                  | 5%                                  | Nil                                 | Nil                                 | Nil                                | Nil                                |
| <b>ACD's Annual Management Charge</b>                | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  |
| <b>Investment Manager's Annual Management Charge</b> | 0.67% of NAV p.a.                  | 0.67% of NAV p.a.                  | 1.17% of NAV p.a.                   | 1.17% of NAV p.a.                   | 0.545% of NAV p.a.                  | 0.545% of NAV p.a.                  | 0.42% of NAV p.a.                  | 0.42% of NAV p.a.                  |
| <b>Annual accounting date</b>                        | 31 December                        | 31 December                        | 31 December                         | 31 December                         | 31 December                         | 31 December                         | 31 December                        | 31 December                        |
| <b>Interim accounting</b>                            | 30 June                            | 30 June                            | 30 June                             | 30 June                             | 30 June                             | 30 June                             | 30 June                            | 30 June                            |

| <b>Classes of shares available</b>        | <b>Class A Accumulating Shares</b> | <b>Class A Distributing Shares</b> | <b>Class B Accumulating Shares*</b> | <b>Class B Distributing Shares*</b> | <b>Class Y Accumulating Shares*</b> | <b>Class Y Distributing Shares*</b> | <b>Class X Accumulating Shares</b> | <b>Class X Distributing Shares</b> |
|---|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| <b>date</b>                               |                                    |                                    |                                     |                                     |                                     |                                     |                                    |                                    |
| <b>Annual income allocation/ pay date</b> | 28 February                        | 28 February                        | 28 February                         | 28 February                         | 28 February                         | 28 February                         | 28 February                        | 28 February                        |
| <b>Invest in Eligible Markets</b>         | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3            | As listed in Appendix 3            |
| <b>Income Equalisation</b>                | Yes                                | Yes                                | Yes                                 | Yes                                 | Yes                                 | Yes                                 | Yes                                | Yes                                |

\*In addition, please note that a Performance Fee is also available, calculated in accordance with Section 30. The AMC is calculated on the NAV before any Performance Fee accrual. There is no Performance Fee payable in relation to Class A Accumulating Shares, Class A Distributing Shares, Class X Accumulating Shares and Class X Distributing Shares.

## **J O Hambro Capital Management UK Dynamic Fund**

**PRN: 638422**

### **Investment Objective and Policy**

The Sub-fund's investment objective is to achieve capital growth over a rolling seven to ten year period as well as providing income. The Sub-fund's target is to have a return greater than the FTSE All-Share Total Return index (12pm adjusted), which is used in the calculation of performance fees.

### **Investment Policy**

At least 90% of the Sub-fund is invested in the shares of companies listed on either of the two primary markets of the London Stock Exchange: the Main Market (FTSE) and the Alternative Investment Market (AIM). At all times at least 75% of the Sub-fund is invested in the shares of companies that are domiciled, incorporated or have a significant portion of their business in the UK.

The Sub-fund will typically invest in the shares of 35-50 different companies. The Sub-fund invests in companies undergoing major transformation in their businesses. The fund manager believes these changes will lead to an improvement in the performance of these companies and their share prices.

At least 50% of the Sub-fund will be invested in companies listed on the FTSE 100 index, which contains the 100 largest companies listed on the London Stock Exchange. These are the most liquid on the exchange, meaning they can be easily bought and sold without materially affecting their share price. The Sub-fund also invests in smaller companies. These may be less liquid and are therefore widely regarded as being riskier.

Other than investing in shares listed in the UK, the Sub-fund may also invest in shares listed elsewhere, money market instruments, deposits, warrants and units in other collective investment schemes.

### **Benchmark**

The Sub-fund's performance may be measured against the FTSE All-Share Total Return Index (12pm adjusted, the "Index"). The Index is used as a target benchmark for the Sub-fund as the Performance Fee for certain share classes in the Sub-fund is payable when the performance of the Sub-fund exceeds that of the Index. The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Sub-fund may differ significantly from those of the Index, however it may influence the weightings of investments in components of the Index. The Index is used as it is the broadest available index of shares listed on the London Stock Exchange, representing at least 98% of the market value of the shares listed.

### **Target Market**

The J O Hambro Capital Management UK Dynamic Fund is designed for investors who want long-term capital growth as well as income from an investment in a portfolio of primarily UK-listed equities where ongoing corporate change creates an asymmetric risk/reward profile.

Investors should understand the Sub-fund's risks and that it is designed to be used as one component of several in a diversified investment portfolio. The Sub-fund will allow investors

ready access to their investment although they should intend to invest their money for the long term i.e. at least seven to ten years.

This Sub-fund is not designed for investors who are seeking a single investment, cannot afford capital loss of their investment.

Investment into the Sub-fund is not appropriate for investors who:

1. Are looking for full capital protection or full repayment of the amount invested;
2. Are fully risk adverse/have no risk tolerance; or
3. Need a fully guaranteed income or fully predictable return profile.

### **Distribution channel**

The Sub-fund is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

### **ISINs**

|              |                |
|--------------|----------------|
| GB00B4T7JX59 | B Accumulating |
| GB00B4TXJ339 | B Distributing |
| GB00B4T7HR59 | A Accumulating |
| GB00B4T85529 | A Distributing |
| GB00BDZRJ101 | Y Accumulating |
| GB00BDZRJ218 | Y Distributing |
| GB00BJ5JMB96 | X Distributing |
| GB00BJ7HNB87 | X Accumulating |
| GB00BMBQQY64 | M Accumulating |
| GB00BMBQQZ71 | M Distributing |
| GB00BQQ84293 | K Accumulating |
| GB00BQQ84301 | K Distributing |
| GB00BPG4DC34 | L Accumulating |
| GB00BPG4DD41 | L Distributing |

| <b>Classes of shares available</b>                   | <b>Class A Distributing Shares</b> | <b>Class A Accumulating Shares</b> | <b>Class B Distributing Shares*</b> | <b>Class B Accumulating Shares*</b> | <b>Class Y Distributing Shares*</b> | <b>Class Y Accumulating Shares*</b> |
|--|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Currency of denomination</b>                      | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     | Pounds Sterling                     |
| <b>Minimum initial investment</b>                    | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              |
| <b>Minimum subsequent investment</b>                 | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  | None as long as minimum maintained  |
| <b>Minimum withdrawal</b>                            | None                               | None                               | None                                | None                                | None                                | None                                |
| <b>Minimum holding</b>                               | £1,000                             | £1,000                             | £1,000                              | £1,000                              | £1,000                              | £1,000                              |
| <b>ACD's preliminary charge</b>                      | 5%                                 | 5%                                 | 5%                                  | 5%                                  | Nil                                 | Nil                                 |
| <b>ACD's Annual Management Charge</b>                | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                   |
| <b>Investment Manager's Annual Management Charge</b> | 0.67% of NAV p.a.                  | 0.67% of NAV p.a.                  | 1.17% of NAV p.a.                   | 1.17% of NAV p.a.                   | 0.545% of NAV p.a.                  | 0.545% of NAV p.a.                  |
| <b>Annual accounting date</b>                        | 31 December                        | 31 December                        | 31 December                         | 31 December                         | 31 December                         | 31 December                         |
| <b>Interim accounting date</b>                       | 30 June                            | 30 June                            | 30 June                             | 30 June                             | 30 June                             | 30 June                             |
| <b>Annual income allocation date</b>                 | 28 February                        | 28 February                        | 28 February                         | 28 February                         | 28 February                         | 28 February                         |
| <b>Interim income allocation date</b>                | 31 August                          | 31 August                          | 31 August                           | 31 August                           | 31 August                           | 31 August                           |
| <b>Invest in Eligible Markets</b>                    | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             | As listed in Appendix 3             |
| <b>Income Equalisation</b>                           | Yes                                | Yes                                | Yes                                 | Yes                                 | Yes                                 | Yes                                 |

\*In addition, please note that a Performance Fee is also available, calculated in accordance with Section 30. The AMC is calculated on the NAV before any Performance Fee accrual. There is no Performance Fee payable in relation to Class A Accumulating Shares, Class A Distributing Shares, Class K Accumulating Shares, Class K Distributing Shares, Class L Accumulating Shares, Class L Distributing Shares, Class M Accumulating Shares and Class M Distributing Shares.

| <b>Classes of shares available</b>                   | <b>Class K Distributing Shares</b> | <b>Class K Accumulating Shares</b> | <b>Class X Distributing Shares*</b> | <b>Class X Accumulating Shares *</b> | <b>Class M Distributing Shares</b> | <b>Class M Accumulating Shares</b> | <b>Class L Distributing Shares</b> | <b>Class L Accumulating Shares</b> |
|--|------------------------------------|------------------------------------|-------------------------------------|--------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Currency of denomination</b>                      | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                     | Pounds Sterling                      | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                    | Pounds Sterling                    |
| <b>Minimum initial investment</b>                    | £50,000,000                        | £50,000,000                        | £50,000,000                         | £50,000,000                          | £250,000,000                       | £250,000,000                       | £100,000,000                       | £100,000,000                       |
| <b>Minimum subsequent investment</b>                 | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained  | None as long as minimum maintained   | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained | None as long as minimum maintained |
| <b>Minimum withdrawal</b>                            | None                               | None                               | None                                | None                                 | None                               | None                               | None                               | None                               |
| <b>Minimum holding</b>                               | £50,000,000                        | £50,000,000                        | £50,000,000                         | £50,000,000                          | £250,000,000                       | £250,000,000                       | £100,000,000                       | £100,000,000                       |
| <b>ACD's preliminary charge</b>                      | Nil                                | Nil                                | Nil                                 | Nil                                  | Nil                                | Nil                                | Nil                                | Nil                                |
| <b>ACD's Annual Management Charge</b>                | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                   | 0.08% of NAV p.a.                    | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  | 0.08% of NAV p.a.                  |
| <b>Investment Manager's Annual Management Charge</b> | 0.57% of NAV p.a.                  | 0.57% of NAV p.a.                  | 0.445% of NAV p.a.                  | 0.445% of NAV p.a.                   | 0.37% of NAV p.a.                  | 0.37% of NAV p.a.                  | 0.47% of NAV p.a.                  | 0.47% of NAV p.a.                  |
| <b>Annual accounting date</b>                        | 31 December                        | 31 December                        | 31 December                         | 31 December                          | 31 December                        | 31 December                        | 31 December                        | 31 December                        |
| <b>Interim accounting date</b>                       | 30 June                            | 30 June                            | 30 June                             | 30 June                              | 30 June                            | 30 June                            | 30 June                            | 30 June                            |
| <b>Annual income allocation date</b>                 | 28 February                        | 28 February                        | 28 February                         | 28 February                          | 28 February                        | 28 February                        | 28 February                        | 28 February                        |
| <b>Interim income allocation date</b>                | 31 August                          | 31 August                          | 31 August                           | 31 August                            | 31 August                          | 31 August                          | 31 August                          | 31 August                          |
| <b>Invest in Eligible Markets</b>                    | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3             | As listed in Appendix 3              | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3            | As listed in Appendix 3            |
| <b>Income Equalisation</b>                           | Yes                                | Yes                                | Yes                                 | Yes                                  | Yes                                | Yes                                | Yes                                | Yes                                |

\*In addition, please note that a Performance Fee is also available, calculated in accordance with Section 30. The AMC is calculated on the NAV before any Performance Fee accrual. There is no Performance Fee payable in relation to Class A Accumulating Shares, Class A Distributing Shares, Class K Accumulating Shares, Class K Distributing Shares, Class L Accumulating Shares, Class L Distributing Shares, Class M Accumulating Shares and Class M Distributing Shares



## APPENDIX 2

### 1 **Investment and Borrowing Powers of the Company**

#### 1.1 **Investment Restrictions**

The property of each Sub-fund of the Company will be invested with the aim of achieving the investment objective but subject to the limits on investment set out in the FCA Rules. These limits as summarised below:

1.1.1 Generally the Company will invest in the investments to which it is dedicated including approved securities which are transferable securities admitted to or dealt on a regulated market or in a market in an EEA State or the UK which is regulated, operates regularly and is open to the public, units in collective investment schemes, warrants, approved money market instruments, deposits and derivatives and forward transactions.

1.1.2 Eligible markets are regulated markets or markets established in an EEA State or the UK which are regulated, operate regularly and are open to the public; and markets which the ACD, after consultation with the Depositary, has decided are appropriate for the purpose of investment of or dealing in the property of the Company having regard to the relevant criteria in the FCA Rules and guidance from the FCA. Such markets must operate regularly, be regulated, recognised, open to the public, adequately liquid and have arrangements for unimpeded transmission of income and capital to or to the order of the investors. The eligible securities and derivatives markets for the Company are set out in Appendix 3.

1.1.3 If the ACD and Depositary believe that such an addition would make a fundamental change to the Company then new eligible securities markets may be added to the existing list only by the passing of a resolution of Shareholders at a Shareholders' meeting. If not, then the ACD and the Depositary will need to assess whether such an addition would be a significant event requiring Shareholders to be notified of the change 60 days in advance, and for the Prospectus to reflect the intended change and the date of commencement, or if the addition is of minimal significance to the investment policy of the Company such that Shareholders will just be notified of the change.

1.1.4 As the Company is a UK UCITS scheme, it is not intended that the Sub-funds will have an interest in any immovable property or tangible movable property.

#### 1.2 **Transferable Securities**

1.2.1 Up to 10% of the value of each Sub-fund may be invested in transferable securities which are not approved securities.

1.2.2 Up to 5% of a Sub-fund may be invested in transferable securities other than government and public securities and approved money market instruments issued by any one issuer. However, up to 10% in value of a Sub-fund may be invested in those securities and instruments (or certificates representing those securities) issued by the same issuer if the value of all such holdings combined does not exceed 40% of the value of the property of a Sub-fund. Up to 20% in value of the scheme property of a Sub-fund can consist of transferable securities or approved money market instruments issued by the same group (being companies included in the same group for the purposes of consolidated accounts as defined in

accordance with section 399 of Companies Act 2006, Directive 2013/34/EU or, in the same group in accordance with international accounting standards).

1.2.3 The following applies in respect of government and public securities which are a transferable security or an approved money market instrument (“**such securities**”) which are issued by:

- 1.2.3.1 the UK or an EEA State;
- 1.2.3.2 a local authority of the UK or an EEA State;
- 1.2.3.3 a non-EEA State; or
- 1.2.3.4 a public international body to which the UK or one or more EEA States belong.

Where no more than 35% in value of the scheme property of any Sub-fund 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.

A Sub-fund may invest more than 35% in value of its scheme property in such securities issued by any one body provided that:

(a) the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Sub-fund;

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

(c) the Sub-fund property includes such securities issued by that or another issuer, of at least six different issues.

In relation to such securities:

(a) issue, issued and issuer include guarantee, guaranteed and guarantor; and

(b) an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

The issuers or guarantors in which more than 35% in value of the Sub-fund property may be invested are:

the government of any member state of the EEA (Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden), Australia, Canada, Japan, New Zealand, Switzerland, the UK or the United States of America; or public securities issued by the Council of Europe, European Bank of Reconstruction and Development, Europe Coal and Steel, European Community, European Investment Bank, Eurofima, International Finance Corporation or Nordic Investment Bank.

### 1.3 **Collective Investment Schemes**

1.3.1 Up to 10% in value of the scheme property of a Sub-fund may be invested in units in other schemes. Investment may be made in another collective investment

scheme managed by the ACD or an associate of the ACD, subject to those of the FCA Rules which prevent double charging. Investment may only be made in other collective investment schemes whose maximum annual management charge does not exceed 5%.

- 1.3.2 The investee schemes must comply with 1.3.3 and 1.3.4.
- 1.3.3 Any scheme in which the Company invests (“second scheme”) must be:
- 1.3.3.1 a UK UCITS Scheme or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
  - 1.3.3.2 a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met); or
  - 1.3.3.3 authorised as a non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) are met); or
  - 1.3.3.4 authorised in an EEA state (provided the requirements of COLL 5.2.13AR are met); or
  - 1.3.3.5 authorised by the competent authority of an OECD member country (other than an EEA State) which has (i) signed the IOSCO Multilateral Memorandum of Understanding and (ii) approved the scheme’s management company, rules and depositary/custody arrangements (provided the requirements of COLL 5.2.13AR are met).
- 1.3.4 Investee schemes must also comply with the rules relating to investment in other group schemes contained in the FCA Rules and themselves be schemes which have terms which prohibit more than 10% of their assets consisting of units in other collective investment schemes.
- 1.3.5 The Sub-funds may invest in units of collective investment schemes and pay any related charges or expenses for investing in such units unless the schemes are managed, operated or administered by the ACD (or one of its associates) in which case, the Sub-fund will pay no additional management or administrative charges to the ACD or its associate (as the case may be).
- 1.3.6 When a Sub-fund invests in the units of other schemes that are managed, directly or by delegation, by the ACD or by any other company with which the ACD is linked by common management or control, or by a substantial direct or indirect holding (i.e. more than 10% of the capital or voting rights), the ACD or the other company may not charge subscription, conversion or redemption fees on account of the Sub-fund’s investment in the units of such other schemes and only a reduced management fee of max. 0.25% p.a. in relation to the proportion of assets invested in the units of such other schemes may be charged.
- 1.3.7 When a Sub-fund invests in the units of a related scheme according to the above paragraph, which applies a lower management fee than the Sub-fund, the Sub-fund may charge on the assets invested in such target fund the difference between its own management fee and the applicable management fee of the target fund, instead of the above mentioned reduced management fee.

- 1.3.8 The requirements of COLL 5.2.13AR referred to above in clause 1.3.3 are that:
- 1.3.8.1 the second scheme is an undertaking:
- (i) with the sole object of collective investment in transferable securities or in other liquid financial assets, of capital raised from the public and which operate on the principle of risk-spreading; and
  - (ii) with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (action taken by a scheme to ensure that the price of its units on an investment exchange does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption);
- 1.3.8.2 the second scheme is authorised under laws which provide that they are subject to supervision considered by the FCA to be equivalent to that laid down in the law of the UK, and that cooperation between the FCA and the supervisory authorities of the second scheme is sufficiently ensured;
- 1.3.8.3 the level of protection for unitholders in the second scheme is equivalent to that provided for unitholders in a UK UCITS Scheme, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and approved money market instruments are equivalent to the requirements of this chapter; and
- 1.3.8.4 the business of the second scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

#### 1.4 **Warrants and Nil and Partly Paid Securities**

- 1.4.1 Up to 100% in value of the scheme property of a Sub-fund may consist of warrants (which may at times make the portfolio composition highly volatile), provided that warrants may only be held if it is reasonably foreseeable there will be no change to the scheme property between the acquisition of the warrant and its exercise and the rights conferred by the proposed warrant and all other warrants forming part of the scheme property at the time of the acquisition of the proposed warrant will be exercised and that the exercise of the rights conferred by the warrants will not contravene the FCA Rules.
- 1.4.2 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 Sub-fund at any time when the payment is required without contravening the FCA Rules.
- 1.4.3 A warrant which is an investment falling within article 80 of the Regulated Activities Order (Certificates representing certain securities) and which is akin to an investment falling within article 79 (Instruments giving entitlement to

investments) of the Regulated Activities Order may not be included in the scheme property unless it is listed on an eligible securities market.

1.4.4 **It is possible that more than 5% of the Scheme Property will be invested in warrants, in which case the Net Asset Value of the Company may, at times be highly volatile.**

## 1.5 **Money Market Instruments**

1.5.1 Up to 100% in value of the scheme property of a Sub-fund can consist of approved money market instruments, which are money market instruments which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time provided the money market instrument is admitted to or normally dealt in on an eligible market; or is;

1.5.1.1 issued or guaranteed by the government of the United Kingdom or the United States of America;

1.5.1.2 issued by a body, any securities of which are dealt in on an eligible market; or

1.5.1.3 issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by UK or EU law or which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU Law.

1.5.2 Notwithstanding the above up to 10% of the scheme property of a Sub-fund may be invested in money market instruments which do not meet these criteria.

## 1.6 **Deposits**

Up to 20% in value of the scheme property of a Sub-fund can consist of deposits with a single body. The Sub-fund may only invest in deposits with an approved bank and which are repayable on demand, or have the right to be withdrawn, and maturing in no more than 12 months.

## 1.7 **Derivatives and Forward Transactions**

In pursuing the Sub-fund's objective the ACD may make use of a variety of derivative instruments in accordance with the FCA Rules. **Where derivatives are used for Hedging or in accordance with efficient portfolio management techniques then this will not compromise the risk profile of the Sub-fund. Use of derivatives will not contravene any relevant investment objectives or limits.**

To the extent that the ACD does use such techniques, Efficient Portfolio Management ("EPM") transactions may involve options, futures or contracts for differences or forward transactions. There is no limit on the amount of the property of a Scheme which may be used for these purposes, but there are various requirements which must be satisfied. The specific aims of EPM are:

(a) the reduction of risk - to hedge against either price or currency fluctuation to avoid volatility in the market and limit the down side of the risk;

- (b) the reduction of cost; and
- (c) the generation of additional capital or income for a Scheme with a risk level which is consistent with the risk profile of the Company (or the relevant Sub-fund) and the risk diversification rules laid out in the FCA Rules.

The transaction must be economically appropriate for the purposes of EPM and any exposure must be fully covered by cash or other property sufficient to meet any obligation to pay or deliver that could arise

- 1.7.1 Transactions may be effected in which the ACD has, either directly or indirectly, an interest that may potentially involve a conflict of its obligation to the Company. Where a conflict cannot be avoided, the ACD will have regard to its fiduciary responsibility to act in the best interests of the Company and its investors. The ACD will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favorable to the Company than if the potential conflict had not existed.
- 1.7.2 Operational costs and fees arising from EPM techniques and/or the use of derivatives are paid for by the relevant Sub-fund. The identity of the entities to which operational costs and fees are paid will be disclosed in the annual report.
- 1.7.3 Except as set out in 1.7.5 below there is no upper limit on the use of transactions in derivatives or forward transaction for a Sub-fund but they must fall under 1.7.3 and 1.7.4.
- 1.7.4 A transaction in a derivative or forward transaction must:
  - 1.7.4.1
    - (a) be an approved derivative (which means it is effected on or under the rules of an eligible derivative market); or
    - (b) if it is an OTC derivative it must be in a future, an option or a contract for differences which must be entered into with a counterparty that is acceptable in accordance with the FCA Rules, must be on approved terms as to valuation and close out and must be capable of valuation.
  - 1.7.4.2 have the underlying consisting of any or all of the following to which the Sub-fund is dedicated:
    - (a) transferable securities;
    - (b) approved money market instruments;
    - (c) permitted deposits;
    - (d) permitted derivatives;
    - (e) permitted collective investment scheme units;
    - (f) financial indices;
    - (g) interest rates;
    - (h) foreign exchange rates; and
    - (i) currencies.
  - 1.7.4.3 must not cause the Sub-fund to diverge from its investment objective, 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.

Use of derivatives must be supported by a risk management process maintained by the ACD which should take account of the investment objective and policy of the Sub-fund.

- 1.7.5 Transactions may only be entered into if the maximum potential exposure created by the transaction, in terms of the principal or notional principal of the derivative does not exceed the net asset value of the scheme property and their global exposure to the underlying assets does not exceed the investment limit laid down in the FCA Rules.

Global exposure within a Sub-fund is a measure of the maximum potential loss to the Sub-fund from the use of derivative instruments. This is calculated using the “commitment approach” which converts derivatives into the equivalent position in the underlying assets and thereby measures the incremental exposure provided by derivatives, after all appropriate netting or hedging positions have been removed.

- 1.7.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the scheme property of the Sub-fund. This limit is raised to 10% where the counterparty is an approved bank.

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

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

## 1.8 **Combinations of Investments**

- 1.8.1 In applying the limits in 1.2.2, 1.6 and 1.7 not more than 20% in value of the scheme property is to consist of any combination of two or more of the following: (a) transferable securities or money market instruments issued by; or (b) deposits made with; or (c) exposures from OTC derivatives transactions made with; a single body.

- 1.8.2 In applying the limits in 1.2.2, 1.6, 1.7 and 1.8.1 not more than 35% in value of the scheme property is to consist of any combination of two or more of the following: (a) transferable securities or approved money market instruments issued by; or (b) deposits made with; or (c) exposures from derivatives transactions made with; a single body.

## 1.9 **Concentration**

- 1.9.1 The Company must not hold more than:

- 10% of the transferable securities issued by a body corporate which do not carry rights to vote on any matter at a general meeting of that body; or
- 10% of the debt securities issued by any single body; or
- 10% of the approved money market instruments issued by any single body; or
- 25% of the units in a collective investment scheme.

1.9.2 A Sub-fund 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 Sub-fund 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 Sub-fund such power.

## 1.10 **General**

1.10.1 Underwriting and sub-underwriting contracts and placings may also, subject to certain conditions set out in the FCA Rules, be entered into for the account of a Sub-fund.

1.10.2 Cash or near cash must not be retained in the scheme property of a Sub-fund except in order to enable the pursuit of the Sub-fund's investment objective; or for redemption of shares in the Sub-fund; or efficient management of the Sub-fund in accordance with its investment objective or for a purpose which may reasonably be regarded as ancillary to the investment objectives of the Sub-fund.

1.10.3 The Company does not currently receive collateral from third parties. To the extent it does so in the future it is the ACD's policy to manage collateral received in compliance with applicable rules. In such circumstances, a copy of the ACD's collateral policy will be available on request.

## 2 **Stock Lending**

2.1 A Sub-fund, or the Depositary at the Company's request, may enter into stock lending transactions (involving a disposal of securities in the Sub-fund and reacquisition of equivalent securities) when it reasonably appears to the Sub-fund or to the Company to be appropriate to do so with a view to generating additional income for the Sub-fund with an acceptable degree of risk. Such transactions must comply with conditions set out in the FCA Rules, which require (among other things) that:

2.1.1 the stock lending transaction must be of a kind described in Section 263B of the Taxation of Chargeable Gains Act 1992;

2.1.2 the terms of the agreement under which the Depositary is to re-acquire the securities for the account of the Sub-fund must be acceptable to the Depositary and in accordance with good market practice; and

2.1.3 the counterparty must be acceptable in accordance with the FCA Rules.

2.2 The collateral obtained must be acceptable to the Depositary and must also be adequately and sufficiently immediate as set down in the FCA Rules.



2.3 The ACD shall maintain a collateral management policy in accordance with applicable rules and regulations.

3 **Borrowing Powers**

3.1 A Sub-fund may, subject to the FCA Rules, borrow money from an eligible institution or an approved bank for the use of the Sub-fund on the terms that the borrowing is to be repayable out of the scheme property.

3.1.1 Borrowing must be on a temporary basis and must not be persistent and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

3.1.2 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the scheme property of the Sub-fund.

3.2 These borrowing restrictions do not apply to “back to back” borrowing to be cover for transactions in derivatives and forward transactions.

## APPENDIX 3

### Eligible Securities and Derivatives Markets

#### Eligible Securities Markets

**(applicable to J O Hambro Capital Management UK Equity Income Fund, J O Hambro Capital Management UK Opportunities Fund and J O Hambro Capital Management UK Dynamic Fund)**

A Sub-fund may deal through securities markets established in the UK or an EEA State on which transferable securities admitted to official listing are dealt in or traded. In addition, up to 10% in value of the Sub-fund may be invested in transferable securities which are not so listed.

A Sub-fund may also deal on the Alternative Investment Market.

#### Eligible Derivatives Markets (applicable to all Sub-funds)

A Sub-fund may also deal on the derivatives markets listed below.

London International Financial Futures Exchange  
OMLX The London Securities and Derivatives Exchange

## APPENDIX 4

Investors' attention is drawn to the general risk factors as set out below which may relate to an investment in any Sub-fund.

### 1 **Market Fluctuations**

Potential investors should note that the investments of each Sub-fund are subject to market fluctuations. There is no assurance that any appreciation in the value of investments will occur or that the investment objective of any Sub-fund will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested. The difference between the cost of subscribing for shares and the amount received on redemption means that any investment in the Company should be viewed as a medium to long-term investment. An investment should only be made by those who are able to sustain a loss on their investment.

### 2 **Equities**

Equities invested in by a Sub-fund may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses.

### 3 **Currency Risk**

Each Sub-fund's assets may, unless otherwise noted, be invested in securities denominated in currencies other than the base currency of the Company and any income received by such Sub-fund from its investments will be received in the currencies of such investments, some of which may fall in value against the relevant base currency of such Sub-fund. Each Sub-fund will compute its Net Asset Value and make any distributions in the denomination of the shares while each Sub-fund may, from time to time, engage in forward foreign exchange transactions to provide protection against exchange-rate risk, there is no guarantee that this objective will be achieved and consequently there is therefore a currency exchange risk which may affect the value of the shares to the extent that the Sub-fund makes investments in currencies other than the relevant Base Currency of the Sub-fund.

### 4 **Currency Hedging**

While a Sub-fund is denominated in its own base currency, some of the underlying investments of the relevant Sub-fund may be denominated in multiple currencies. Accordingly, any hedging of currency exposure that is implemented by the relevant Sub-fund will primarily involve hedging back to the Company's base currency, but in certain circumstances may involve other hedging activities. There is no assurance that the relevant Sub-fund will attempt to hedge its overall currency exposure, be effective.

### 5 **Liquidity Risk**

Liquidity risk is the possibility that the investments in a Sub-fund cannot be liquidated in a timely manner at a reasonable price. It may be difficult or costly for a Sub-fund to liquidate positions quickly in challenging market conditions, particularly where other market participants are seeking to dispose of the same

(or similar) assets at the same time. The value of securities is subject to greater uncertainty and fluctuation if they are not regularly traded.

## 6 **Derivative Risk**

The Company may invest in derivative instruments for the purposes of efficient portfolio management; these may be executed either on-exchange or OTC. However, these techniques may not always be possible or effective in enhancing returns or mitigating risk. The risks associated with the use of derivatives are different from, and can be greater than, the risks associated with investing directly in securities and other traditional investments. Price fluctuations of derivatives may have imperfect correlation with their underlying markets or in severe cases no correlation at all. So, as well as the factors that affect the underlying assets, that are discussed elsewhere in this Prospectus, derivative contract prices are also impacted by their tenor, supply and demand of the instrument, plus volatility and interest rates. Therefore, the use of derivatives requires additional investment techniques and risk analysis in order to assess the risk that an instrument adds to the portfolio compared to those required for investment in the underlying asset(s). The use of derivative strategies also requires the maintenance of adequate controls to monitor outstanding transactions. Consequently, a Sub-fund's performance may suffer if the Investment Manager undertakes derivative transactions, and incorrectly assesses the factors affecting their valuation, as a result a Sub-fund may have been better off not entering into the derivative transactions at all.

## 7 **Forward Trading**

Forward contracts and options thereon, unlike futures contracts, are generally not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading (to the extent forward contracts are not traded on exchanges) and cash trading are substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable.

The principals that deal in the forward markets are not required to make markets in the currencies or commodities they trade and these markets can experience disruptions or periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell.

Disruptions can occur in any market traded by a Sub-fund due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of a Sub-fund. Market illiquidity or disruption could result in major losses to a Sub-fund.

## 8 **Leverage Risk**

A Sub-fund's possible use of borrowing (also known as leverage) or derivative instruments within embedded borrowing may result in certain additional risks. Leveraged investments, by their nature, increase the potential loss to investors resulting from any depreciation in the value of such investments. Consequently, a

relatively small price movement in the security underlying a leveraged instrument may result in a substantial loss to a Sub-fund.

9

### **Counterparty risk**

Many of the markets in which the Company may effect its transactions are “over-the-counter” or “inter-dealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes a Sub-fund to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing a Sub-fund to suffer a loss. In addition, in the case of a default, a Sub-fund could become subject to adverse market movements while replacement transactions are executed. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Company has concentrated their transactions with a single counterparty or small group of counterparties. Other than as disclosed herein and in compliance with the FCA Rules, the Company is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. The ability of the Company to transact business with any one or more counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Sub-fund.

Where a Sub-fund delivers collateral to its trading counterparties under the terms of its ISDA (International Swaps and Derivatives Association) master agreements and other trading master agreements, either by posting initial margin or on a daily mark-to-market basis, circumstances may arise where a counterparty may be over-collateralised and/or that Sub-fund may from time to time have uncollateralised mark-to-market exposure to a counterparty in relation to its rights to receive securities and cash. In both circumstances, although counterparty risk with respect to each Sub-fund will be monitored and measured in accordance with the Regulations, a Sub-fund will be exposed to the creditworthiness of any such counterparty and, in the event of the insolvency or other credit event of a trading counterparty, such Sub-fund will typically rank as an unsecured creditor in relation to amounts equivalent to any such over-collateralisation and any uncollateralised exposure to such trading counterparty. In such circumstances it is likely that such Sub-fund will not be able to recover any debt in full.

A Sub-fund may trigger events of default or termination events under various counterparty agreements due to, among other things, reductions in Net Asset Value. If a Sub-fund is unable to obtain waivers from the relevant counterparties, such counterparties could exercise numerous remedies under the affected agreements, including appropriation of posted collateral and termination of outstanding trades.

A Sub-fund may be exposed to the risk that the relevant swap counterparty may default on its obligations to perform under the relevant swap agreement. In assessing this risk, investors should recognise the protection offered by the regulatory requirement that the maximum net exposure to such a counterparty after taking into account any collateral should not exceed 5% or 10% (depending on the status of the swap counterparty) of the Net Asset Value of the relevant Sub-fund.

10

### **Broker Credit Risk**

A Sub-fund will be exposed to the credit risk of the counterparties or the brokers and dealers and exchanges through which it deals, whether it engages in exchange-traded or off-exchange transactions. A Sub-fund may be subject to risk of loss of its assets held by a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of a Sub-fund, or the bankruptcy of an exchange clearing house.

11                    **Valuation Risk**

Uncertainties surrounding, or delay of, the valuation of investments of any Sub-fund could have an adverse effect on the Shareholders thereof and their investment in the Sub-fund. Valuation of the investments, which will affect the investment management fee paid to the Investment Manager, may involve estimates, uncertainties and judgments, and if such valuations prove to be incorrect, a Sub-fund's Net Asset Value could be overstated or understated, perhaps materially. Likewise, redemptions may be based upon such overstated or understated Net Asset Value, which may adversely affect incoming or redeeming Shareholders or remaining Shareholders.

Although the Company's investments are generally valued by the Administrator, the Administrator may rely upon the advice of the Investment Manager in determining the appropriate means of valuation for certain of the Company's investments. The valuation of such investments may affect both reported Company performance as well as the calculation of the investment management fee. Accordingly, the Investment Manager may have a conflict of interest in rendering advice pertaining to valuation of securities because the valuation of such securities may impact the amount of the Investment Manager's fees.

None of the Administrator, the Depositary or the Investment Manager will bear any liability if a price, reasonably believed by it to be an accurate valuation of a particular investment is subsequently found to be inaccurate.

12                    **Portfolio Turnover Risk**

A Sub-fund will pay transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses, affect a Sub-fund's performance.

13                    **Expenses Charged to Capital**

Management fees, expenses and establishment costs of a Sub-fund will be charged in the first instance to income received from the underlying assets of the Sub-fund. However, where insufficient income has been generated by a Sub-fund, Shareholders should note that all or part of the management fees, expenses and establishment costs may be charged to the capital of the Sub-fund. This will have the effect of lowering the capital value of the Shareholder's investment and the capital of such a Sub-fund may be eroded.

14                    **Charges**

In addition to normal and usual operating expenses, each Sub-fund will be subject to the investment management fee and the administration fee, payable irrespective of profitability, and its transactional expenses and custodial costs.

15                    **Cross liability between Sub-funds**

The Company is established as an open-ended investment company with segregated portfolios of assets. As a matter of English law, the assets of one Sub-fund will not be available to satisfy the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There is no guarantee that the courts of any jurisdiction outside England and Wales will respect the limitations on liability associated with segregated portfolio companies nor is there any guarantee that the creditors of one Sub-fund will not seek to enforce such Sub-fund's obligations against another Sub-fund.

16                    **Title/Custody Risk**

The Depositary is under a duty to take into custody and to hold the property of each Sub-fund of the Company on behalf of its Shareholders. The FCA Rules require the Depositary to hold legally separate the non-cash assets of each Sub-fund and to maintain sufficient records to clearly identify the nature and amount of all assets that it holds, the ownership of each asset and where the documents of title to such assets are physically located. When the Depositary, as custodian, employs a sub-custodian the Depositary retains responsibility for the assets of the Sub-fund.

However, it should be noted that not all jurisdictions have the same rules and regulations as the UK regarding the custody of assets and the recognition of the interests of a beneficial owner such as a Sub-fund. Therefore, in such jurisdictions, there is a risk that if a sub-custodian becomes bankrupt or insolvent, the Sub-fund's beneficial ownership of the assets held by such sub-custodian may not be recognised and consequently the creditors of the sub-custodian may seek to have recourse to the assets of the Sub-fund. In those jurisdictions where a Sub-fund's beneficial ownership of its assets is ultimately recognised, the Sub-fund may suffer delay and cost in recovering those assets.

17                    **Controlling Shareholder**

There is no restriction on the percentage of the Company's shares that may be owned by one person or a number of connected persons. It is possible, therefore, that one person, including a person or entity related to the Investment Manager or, a collective investment scheme managed by the Investment Manager or an affiliate, may obtain control of the Company or of a Sub-fund.

18                    **Substantial Repurchases**

Substantial repurchases by Shareholders may necessitate liquidation of investments. It is possible that losses may be incurred due to such liquidations that might otherwise not have arisen.

19                    **Temporary suspension**

Investors are reminded that in certain circumstances their right to redeem or convert shares may be temporarily suspended as set out in more detail in the “Suspension of Dealings in the Company” Section above (Section 19).

20 **Different Investment Experience of Investors**

Because Shareholders will both acquire and redeem shares of a Sub-fund at different times, certain Shareholders may experience a loss on their shares even though other investors experience gains and the particular Sub-fund, as a whole, is profitable. Consequently, the performance of a Sub-fund will not necessarily be representative of any particular Shareholder's investment experience in it.

21 **Political and /or Regulatory Risks**

The value of a Sub-fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions in foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made.

22 **Emerging Markets and Frontier Markets Risk**

Emerging markets and frontier markets require consideration of matters not usually associated with investing in securities of issuers in developed capital markets. Emerging markets and frontier markets may present different economic and political conditions from those in western markets, and less social, political and economic stability. The absence, until relatively recently, of any move towards capital markets structures or to a free market economy mean that exposure to emerging markets and frontier markets is more risky than investing in western markets.

Investments in emerging markets and frontier markets may carry risks with failed or delayed settlement and with registration and custody of securities. Companies in emerging markets and frontier markets may not be subject to accounting, auditing and financial reporting standards or be subject to the same level of government supervision and regulation as in more developed markets. The reliability of trading and settlement systems in some emerging markets and frontier markets may not be equal to that available in more developed markets which may result in problems in realising investments. Lack of liquidity and efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time there may be difficulties in purchasing or selling securities there.

The Net Asset Value of a Sub-fund may be affected by uncertainties such as political or diplomatic developments, social instability and religious differences, changes in government policies, taxation and interest rates, currency conversion and repatriation and other political and economic developments in law or regulations in emerging markets and frontier markets and, in particular, the risks of expropriation, nationalisation, confiscation or other taking of assets, debt moratoria and/or debt defaults and changes in legislation relating to the level of foreign ownership in certain sectors of the economy.

A Sub-fund may invest in emerging markets and frontier markets where custodial and/or settlement systems are not fully developed. The assets of the Sub-funds



which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to market risks. Such risks include (i) a non-true delivery versus payment settlement, (ii) a physical market, and as a consequence the circulation of forged securities, (iii) poor information with regard to corporate actions, (iv) a registration process that affects the availability of the securities, (v) lack of appropriate legal/fiscal infrastructure, and (vi) lack of compensation/risk funds with the relevant central depository. Furthermore, even when a Sub-fund settles trades with counterparties on a delivery-versus-payment basis, it may still be exposed to credit risk to parties with whom it trades.

There are also other risks associated with investment in emerging markets and frontier markets. Such risks include a potentially low level of investor protection (the absence of, or the failure to observe, legal standards designed to protect investors) poor or opaque corporate governance (loss may be caused owing to the ineffective manner in which an organisation is controlled or managed); legislative risk (that laws may be changed with retrospective and/or immediate effect); and political risk (that the interpretation or method of enforcement of laws may be changed with a consequent and adverse effect on a Sub-fund).

## 23 **UK withdrawal from the EU**

On 31 January 2020, the UK formally withdrew from the EU and entered into a transition period which ended at 11 pm on 31 December 2020. An EU–UK Trade and Cooperation Agreement (the “TCA”) was concluded on 30 December 2020. Although the TCA was ratified by the European Parliament on 28 April 2021, the process to implement the new political, economic and regulatory framework between the UK and the EU remains uncertain and therefore such implementation may still have a detrimental impact on a Sub-fund’s ability to fulfil its investment objective or on the value of a Sub-fund’s assets, and may increase the Sub-funds’ costs.

## 24 **Taxation**

Any change in the Company's tax status or in applicable tax legislation or practice could affect the value of investments held by the Company and affect the Company's ability to provide a return to investors. Potential investors and Shareholders should note that the statements on taxation, which are set out herein, are based on advice which has been received by the ACD regarding the tax law and published tax authority practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the Company, particularly the “Taxation” Section (Section 36).

## 25 **Common Reporting Standard Risks**

The requirements of the Common Reporting Standard (“CRS”) as implemented in the UK may impose additional due diligence procedures, systems and/or administrative burdens and costs on the Company and/ or its Shareholders. Investors are reminded that their personal and account information may need to be reported to the relevant tax authorities. Where investors provide inaccurate or incomplete information, the Sub-funds could become liable to withholding taxes

and other penalties for non-compliance. The Company has the ability to compulsorily redeem recalcitrant investors and make withholdings from distributions/redemption proceeds to pass on any CRS related financial penalties and costs suffered by a Sub-fund solely to any recalcitrant other penalties for non-compliance. The Company has the ability to compulsorily redeem recalcitrant investors and make withholdings from distributions/redemption proceeds to pass on any CRS related financial penalties and costs suffered by a Sub-fund solely to any recalcitrant investors that have caused the liabilities rather than allowing such liabilities to be borne by the investors as a whole.

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### **US Foreign Account Tax Compliance Act (“FATCA”)**

Pursuant to FATCA, the Company (or each Sub-fund) and/or the ACD is required to comply (or be deemed compliant) with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Company (or each Sub-fund) and/or the ACD to U.S. withholding taxes on certain U.S.-sourced income and gains. Pursuant to an intergovernmental agreement between the United States and the UK, the Company (or each Sub-fund) and/or the ACD may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. taxpayer information directly to the government of the UK. Investors may be requested to provide additional information to the Company and/or the ACD to enable the Company (or each Sub-fund) and/or the ACD to satisfy these obligations. Failure to provide requested information may subject an investor to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the investor's interest in its shares.

Prospective investors should consult their own tax advisor with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

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### **Data Protection Risk**

In order to maintain security and to prevent processing in infringement of Data Protection Law, the Company, the Administrator or the Depositary where acting as a “data controller” are each required to evaluate the risks inherent in the processing and implement measures to mitigate those risks, such as encryption. Such measures are required to ensure an appropriate level of security, including confidentiality, taking into account the state of the art and the costs of implementation in relation to the risks and the nature of the personal data to be protected. Potential investors and shareholders should be aware that certain data security risks can arise by processing of personal data, such as accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed which may in particular lead to physical, material or non-material damage. There may be instances where processing operations by the Company, the Administrator and/or the Depositary are likely to result in a high risk to the rights and freedoms of potential investors or shareholders, however, the relevant data controller will be responsible for the carrying out of a data protection impact assessment to evaluate, in particular, the origin, nature, particularity and severity of any such risk. A personal data breach may, if not addressed in an appropriate and timely manner, result in physical, material or nonmaterial damage to potential investors or shareholders such as loss of control over their personal data or limitation of their rights, discrimination,

identity theft or fraud, financial loss, damage to reputation, loss of confidentiality of personal data protected by professional secrecy or any other significant economic or social disadvantage to the natural person concerned and/or to the Company.

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### **Cyber Security Risk**

Cyber security breaches may occur allowing an unauthorised party to gain access to assets of the Sub-funds, the Shareholder data, or proprietary information, or may cause the Company, the ACD, the Investment Manager, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Sub-funds may be affected by intentional cyber security breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cyber security breach could result in the loss or theft of Shareholder data (including information in relation to identity) or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the ACD, the Investment Manager, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, such incidents could have a material adverse effect on a Sub-fund. In addition, such incidents could affect issuers in which a Sub-fund invests, and thereby cause a Sub-fund's investments to lose value, as a result of which investors, including the relevant Sub-fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

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### **Risks Related to the Investment Manager**

Dependence on the employees of the Investment Manager. The Shareholders have no authority to make decisions or to exercise business discretion on behalf of the Company. The authority for all such decisions is delegated to the ACD and, with respect to the management of each Sub-fund's portfolio investments, the Investment Manager (subject to the policies and control of the ACD). The success of each Sub-fund depends upon the ability of the employees of the Investment Manager to develop and implement investment strategies that achieve such Sub-fund's investment objective. Although the Investment Manager has a number of staff who are able to make investment management decisions for the Sub-funds, if the employees of the Investment Manager responsible for a particular Sub-fund were to become unable to participate in the investment management process for that Sub-fund, the consequence to that Sub-fund may be material and adverse and could lead to the premature termination of that Sub-fund and/or the Company.

*Operating History.* Potential investors have only each Sub-fund's operating history upon which to evaluate such Sub-fund's performance. The past performance of any Sub-fund or of the Investment Manager (including any of its investment professionals or other personnel) cannot be relied upon as an indicator of the Sub-fund's future performance or success. At the initial launch of any Sub-fund there may be no such operating history on which to evaluate a Sub-fund. No

assurance can be given that any Sub-fund will be profitable or will not incur substantial losses.

*Conflicts of Interest.* The services of the Investment Manager and its affiliates, and their respective officers and employees, to the Company are not exclusive. The Investment Manager and its affiliates, using some or all of the same personnel, provide investment management services to other funds and/or segregated portfolios that may have a similar investment scope as that of any Sub-fund. Furthermore, it is possible that the Investment Manager or its affiliates may establish additional funds or be responsible for the management of additional assets. The Investment Manager and its affiliates, and their respective officers and employees may have conflicts in allocating management time, services or functions among the Company and those other funds.

The ACD and all of the service providers to the Company may have conflicts of interest in relation to their duties to the Company. The ACD will, however, attempt to ensure that all such potential conflicts of interests are resolved in a fair and equitable manner as set out below. The Investment Manager and its affiliates will be engaging in substantial activities other than on behalf of the Company and may have conflicts of interest in allocating investment opportunities. Some investments may be appropriate for both the Company and for other funds managed by the Investment Manager or its affiliates. In such a case, the Investment Manager's intention, to the extent possible, is that investment decisions will be made with a view to achieving the respective investment objectives of all those funds and to be equitable to each of them. However, in effecting transactions, it may not always be possible, or consistent with the possibly differing investment objectives to take or liquidate the same investment positions at the same time or at the same prices.

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### **Force majeure**

A Sub-fund and its investments may be affected by force majeure events (including, for example, fire, flood, earthquakes, outbreak of an infectious disease, pandemic or any other serious public health concern). Some force majeure events may adversely affect the ability of a Sub-fund or any of its respective counterparties to perform its obligations. Certain force majeure events (such as an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which a Sub-fund may invest specifically. Any of the foregoing may therefore adversely affect the performance of a Sub-fund and its investments.

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### **Natural disasters and widespread diseases**

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

timely manner and could negatively impact a Sub-fund's ability to achieve its investment objective. This could have a significant adverse impact on the value and the risk profile of a Sub-fund.

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### **Transaction timing risks**

The Net Asset Value of each Share Class is calculated using security and foreign exchange values as at the Valuation Point as laid out in Section 23. Subscriptions or redemptions for any Share Class may (depending on their size, timing and currency) require associated security and foreign exchange transactions to be placed. The Investment Manager will seek to execute such underlying transactions in a timely manner in order to minimise the performance impact created by any differential between the market prices used in the Net Asset Value calculation and the execution price of those transactions. However, the risk remains that the execution price of any transactions associated with subscription and redemption activity may vary from those used in the Net Asset Value calculation for the relevant Share Class on a given day. This could result in a positive or negative performance impact which would be reflected in the next Net Asset Value calculation. The potential impact of this risk is increased for any subscription or redemption activity which represents a large percentage of the current total assets of any Sub-fund. The likelihood and potential impact of this risk are also increased for those Sub-funds which invest in security markets that are closed at the Valuation Point. This is because the Net Asset Value of such Share Classes will be calculated using security prices at the previous market close, whilst any associated transactions cannot be placed until the next time the market opens.

*The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in investing in a Sub-fund. Potential investors should read this entire Prospectus before determining whether to invest in the shares and should consult with their own legal, financial and tax advisers. Potential investors should also be aware that, if they decide to purchase shares, they will have no role in the management of the Sub-fund and will be required to rely on the expertise of the ACD and the Investment Manager in dealing with the foregoing (and other) risks on a day-to-day basis.*

## APPENDIX 5

### Directory

#### **The Company and Head Office**

J O Hambro Capital Management UK  
Umbrella Fund  
Third Floor  
1 St James's Market  
London  
SW1Y 4AH

#### **Investment Manager**

J O Hambro Capital Management Limited  
Third Floor  
1 St James's Market  
London  
SW1Y 4AH

#### **Authorised Corporate Director**

JOHCM Funds (UK) Limited  
Third Floor  
1 St James's Market  
London  
SW1Y 4AH

#### **Depositary**

Northern Trust Investor Services Limited  
50 Bank Street  
London  
E14 5NT

#### **Custodian**

The Northern Trust Company (UK Branch)  
50 Bank Street  
London  
E14 5NT

#### **Fund Accounting and Valuation**

The Northern Trust Company (UK Branch)  
50 Bank Street  
London  
E14 5NT

#### **Administrator**

The Northern Trust Company (UK Branch)  
50 Bank Street  
London  
E14 5NT

## APPENDIX 6

### Historical Performance for the Sub-funds

The past performance shown in this table should not be seen as an indication of future performance or in any way used to project possible future values of the Sub-funds.

Performance to 31 December 2022

| Comparative Performance            | 31 Dec 2021 - 31 Dec 2022 | 31 Dec 2020 - 31 Dec 2021 | 31 Dec 2019 - 31 Dec 2020 | 31 Dec 2018 - 31 Dec 2019 | 31 Dec 2017 - 31 Dec 2018 |
|------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>JOHCM UK Equity Income Fund</b> | <b>-0.86%</b>             | <b>24.76%</b>             | <b>15.72%</b>             | <b>20.02%</b>             | <b>-13.19%</b>            |
| Lipper UK Equity Income Mean       | -2.05%                    | 17.9%                     | -11.32%                   | 19.36%                    | -10.88%                   |
| FTSE All Share TR Adj              | 0.74%                     | 17.77%                    | -9.51%                    | 19.29%                    | -9.06%                    |
| <b>JOHCM UK Opportunities Fund</b> | <b>-4.02%</b>             | <b>10.06%</b>             | <b>-3.93%</b>             | <b>13.06%</b>             | <b>-1.85%</b>             |
| Lipper UK All Companies Mean       | -9.14%                    | 16.7%                     | -6.42%                    | 22.11%                    | -11.47%                   |
| FTSE All Share TR Adj              | 0.74%                     | 17.77%                    | -9.51%                    | 19.29%                    | -9.06%                    |
| <b>JOHCM UK Dynamic Fund</b>       | <b>1.83%</b>              | <b>22.56%</b>             | <b>-17.62%</b>            | <b>20.82%</b>             | <b>-10.30%</b>            |
| Lipper UK All Companies Mean       | -9.14%                    | 16.7%                     | -6.42%                    | 22.11%                    | -11.51%                   |
| FTSE All Share TR Adj              | 0.74%                     | 17.77%                    | -9.51%                    | 19.29%                    | -9.06%                    |

**Source:** JOHCM/Lipper as at 31 December 2022

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## APPENDIX 7

### Sub-Custodians

| <b>Country</b>   | <b>Sub-custodian</b>                                  | <b>Sub-custodian Delegate</b>  |
|--|---|--|
| Argentina  | Citibank N.A., Buenos Aires Branch                    |  |
| Australia  | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Australia Limited  |
| Austria  | UniCredit Bank Austria AG                             |  |
| Bangladesh   | Standard Chartered Bank                               |  |
| Belgium  | The Northern Trust Company                            |  |
| Bosnia and Herzegovina<br>(Federation of Bosnia-Herzegovina) | Raiffeisen Bank International AG                      | Raiffeisen Bank Bosnia DD BiH  |
| Bosnia and Herzegovina<br>(Republic of Srpska)               | Raiffeisen Bank International AG                      | Raiffeisen Bank Bosnia DD BiH  |
| Botswana   | Standard Chartered Bank Botswana Limited              |  |
| Brazil   | Citibank N.A., Brazilian Branch                       | Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM") |
| Bulgaria   | Citibank Europe plc, Bulgaria Branch                  |  |
| Canada   | The Northern Trust Company, Canada                    |  |
| Canada*  | Royal Bank of Canada                                  |  |
| Chile  | Citibank N.A.   | Banco de Chile   |
| China B Share  | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank (China) Company Limited                                    |
| Clearstream  | Clearstream Banking S.A.,                             |  |
| Colombia   | Cititrust Columbia S.A. Sociedad Fiduciaria           |  |
| Costa Rica   | Banco Nacional de Costa Rica                          |  |
| Côte d'Ivoire  | Standard Chartered Bank (Mauritius) Limited           | Standard Chartered Bank Cote d'Ivoire SA                             |
| Croatia  | UniCredit Bank Austria AG                             | Zagrebacka Banka d.d.  |
| Cyprus   | Citibank Europe PLC                                   |  |
| Czech Republic   | UniCredit Bank Czech Republic and Slovenia, a.s.      |  |
| Denmark  | Nordea Bank Abp                                       |  |
| Egypt  | Citibank N.A., Cairo Branch                           |  |
| Estonia  | Swedbank AS   |  |
| Eswatini (formerly Swaziland)                                | Standard Bank Eswatini Limited                        |  |
| Finland  | Nordea Bank Abp                                       |  |
| France   | The Northern Trust Company                            |  |
| Germany  | The Northern Trust Company                            |  |
| Ghana  | Standard Chartered Bank Ghana Limited                 |  |
| Greece   | Citibank Europe PLC                                   |  |
| Hong Kong  | The Hongkong and Shanghai Banking Corporation Limited |  |
| Hong Kong (Stock and Bond Connect)                           | The Hongkong and Shanghai Banking Corporation Limited |  |



| <b>Country</b> | <b>Sub-custodian</b>  | <b>Sub-custodian Delegate</b>         |
|----------------|---|---------------------------------------|
| Hungary        | UniCredit Bank Hungary Zrt.   |                                       |
| Iceland        | Landsbankinn hf   |                                       |
| India          | Citibank N.A.   |                                       |
| Indonesia      | Standard Chartered Bank   |                                       |
| Ireland        | Euroclear Bank S.A./N.V.  |                                       |
| Israel         | Bank Leumi Le-Israel B.M.   |                                       |
| Italy          | Citibank Europe plc   |                                       |
| Japan          | The Hongkong and Shanghai Banking Corporation Limited                 |                                       |
| Jordan         | Standard Chartered Bank   |                                       |
| Kazakhstan     | Citibank Kazakhstan JSC   |                                       |
| Kenya          | Standard Chartered Bank Kenya Limited                                 |                                       |
| Kuwait         | The Hongkong and Shanghai Banking Corporation Limited                 | HSBC Bank Middle East Limited         |
| Latvia         | Swedbank AS   |                                       |
| Lithuania      | AB SEB bankas   |                                       |
| Luxembourg     | Euroclear Bank S.A./N.V.  |                                       |
| Malaysia       | The Hongkong and Shanghai Banking Corporation Limited                 | HSBC Bank Malaysia Berhad             |
| Mauritius      | The Hongkong and Shanghai Banking Corporation Limited                 |                                       |
| Mexico         | Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex |                                       |
| Morocco        | Société Générale Marocaine de Banques                                 |                                       |
| Namibia        | Standard Bank Namibia Ltd   |                                       |
| Netherlands    | The Northern Trust Company  |                                       |
| New Zealand    | The Hongkong and Shanghai Banking Corporation Limited                 |                                       |
| Nigeria        | Stanbic IBTC Bank Plc   |                                       |
| Norway         | Nordea Bank Abp   |                                       |
| Oman           | The Hongkong and Shanghai Banking Corporation Limited                 | HSBC Bank Oman S.A.O.G                |
| Pakistan       | Citibank N.A., Karachi Branch   |                                       |
| Panama         | Citibank N.A., Panama Branch  |                                       |
| Peru           | Citibank del Peru S.A.  |                                       |
| Philippines    | The Hongkong and Shanghai Banking Corporation Limited                 |                                       |
| Poland         | Bank Polska Kasa Opieki Spółka Akcyjna,                               |                                       |
| Portugal       | BNP Paribas Securities Services                                       |                                       |
| Qatar          | The Hongkong and Shanghai Banking Corporation Limited                 | HSBC Bank Middle East Limited         |
| Romania        | Citibank Europe PLC   |                                       |
| Russia         | AO Citibank   |                                       |
| Saudi Arabia   | The Northern Trust Company of Saudi Arabia                            |                                       |
| Senegal        | Standard Chartered Bank (Mauritius)                                   | Standard Chartered Bank Cote d'Ivoire |

| <b>Country</b>                | <b>Sub-custodian</b>   | <b>Sub-custodian Delegate</b>               |
|-------------------------------|--|---|
|                               | Limited  | SA  |
| Serbia                        | UniCredit Bank Austria A.G.                                    | UniCredit Bank Serbia JSC                   |
| Singapore                     | DBS Bank Ltd   |   |
| Slovakia                      | Citibank Europe PLC  |   |
| Slovenia                      | UniCredit Banka Slovenija d.d.                                 |   |
| South Africa                  | The Standard Bank of South Africa Limited                      |   |
| South Korea                   | The Hongkong and Shanghai Banking Corporation Limited          |   |
| Spain                         | Deutsche Bank SAE  |   |
| Sri Lanka                     | Standard Chartered Bank  |   |
| Sweden                        | Nordea Bank Abp  |   |
| Switzerland                   | Credit Suisse (Switzerland) Ltd                                |   |
| Taiwan                        | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank (Taiwan) Limited                  |
| Tanzania                      | Standard Chartered Bank (Mauritius) Limited                    | Standard Chartered Bank Tanzania Limited    |
| Thailand                      | Citibank N.A., Bangkok Branch                                  |   |
| Tunisia                       | Union Internationale De Banques                                |   |
| Turkey                        | Citibank A.S.  |   |
| Uganda                        | Standard Chartered Bank Uganda Limited                         |   |
| United Arab Emirates (ADX)    | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank Middle East Limited (DIFC) Branch |
| United Arab Emirates (DFM)    | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank Middle East Limited (DIFC) Branch |
| United Arab Emirates (NASDAQ) | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank Middle East Limited (DIFC) Branch |
| United Kingdom                | Euroclear UK and Ireland Limited (Northern Trust self-custody) |   |
| United States                 | The Northern Trust Company                                     |   |
| Uruguay                       | Banco Itau Uruguay S.A.  |   |
| Vietnam                       | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank (Vietnam) Ltd                     |
| Zambia                        | Standard Chartered Bank Zambia PLC                             |   |

\*The Royal Bank of Canada serves as Northern Trust's Sub-Custodian for securities not eligible for settlement in Canada's local central securities depository.

## APPENDIX 8

### Performance Fee worked example

The example below is an illustration of how the Performance Fee works for an individual Share Class. Shareholders should note that the calculation methodology described in section 30.2 uses the Net Asset Value and the Index Adjusted Net Asset Value of the Share Class as a whole to calculate the Performance Fee. However, the table below uses a share price (i.e. the total Net Asset Value divided by the number of shares in issue) for ease of comparison against the relevant Index.

| Performance Period          | NAV Per share | Index Adjusted Net Asset Value (“IANAV”) Per share | Performance Fee Payable   | NAV Per share (after Performance Fee) | IANAV Per share at Start of New Performance Period   |
|-----------------------------|---------------|--|---|---------------------------------------|--|
| <b>Performance Period 1</b> |               |  |   |                                       |  |
| Start                       | 10.00         | 10.00  | 0   | 10.00                                 | 10.00  |
| End                         | 11.00         | 10.50  | Yes.<br>The NAV exceeds the IANAV therefore a Performance Fee of $15\% * \text{IANAV} * (\text{NAV}/\text{IANAV}-1) = 0.075$ is payable   | 10.925                                | 10.925   |
| <b>Performance Period 2</b> |               |  |   |                                       |  |
| Start                       | 10.925        | 10.925   | 0   | 10.925                                | 10.925   |
| End                         | 11.00         | 12.00  | No.<br>The NAV does not exceed the IANAV therefore no Performance Fee is payable  | 11.00                                 | Because there was no Performance Fee payable at the end of Performance Period # 2 the IANAV continues at 12 at the start of Performance Period # 3 |
| <b>Performance Period 3</b> |               |  |   |                                       |  |
| Start                       | 11.00         | 12.00  | 0   | 11.00                                 | 12.00  |
| End                         | 9.50          | 8.50   | Yes.<br>The NAV has fallen in value since the beginning of the Performance Period, however, the NAV still exceeds the IANAV at the end of the Performance Period and therefore a Performance Fee of $15\% * \text{IANAV} * (\text{NAV}/\text{IANAV}-1) = 0.15$ is payable | 9.35                                  | 9.35   |

## APPENDIX 9

### Special Information for Investors in Switzerland

#### 1 **Representative and Paying Agent in Switzerland**

The representative in Switzerland is 1741 Fund Solutions Ltd., Burggraben 16, 9000 St. Gallen, Switzerland (the “Representative”). The paying agent in Switzerland is Tellco Bank Ltd, Bahnhofstrasse 4, 6430 Schwyz, Switzerland.

#### 2 **Location where the relevant documents may be obtained**

Copies of the Instrument of Incorporation, the Prospectus and the annual and semi-annual reports of the Company as well as the key information documents may be obtained free of charge from the Representative.

#### 3 **Publications**

The net asset value of the Shares of each Sub-fund, together with an indication “commissions excluded” will be published daily on [www.swissfunddata.ch](http://www.swissfunddata.ch).

Publications in Switzerland in respect of the Company or the Sub-funds, in particular the publications of changes to the Instrument of Incorporation and the Prospectus shall be made on [www.swissfunddata.ch](http://www.swissfunddata.ch).

#### 4 **Place of performance and jurisdiction**

In respect of the Shares offered in Switzerland, at the place of performance is at the registered office of the Representative. The place of jurisdiction is at the registered office of the Representative or at the registered office or place of residence of the investor.

#### 5 **Retrocessions and Rebates**

##### 5.1 Retrocessions

J O Hambro Capital Management Limited and its agents may pay retrocessions as remuneration for distribution activity in respect of Shares in Switzerland. This remuneration may be deemed payment for the following services in particular:

- Setting up processes for subscribing, holding and safe custody of the Shares;
- Keeping a supply of marketing and legal documents, and issuing the said;
- Forwarding or providing access to legally required publications and other publications;
- Performing due diligence delegated by J O Hambro Capital Management Limited in areas such as money laundering, ascertaining client needs and distribution restrictions;
- Operating and maintaining an electronic distribution and/or information platform;
- Clarifying and answering specific questions from Investors pertaining to the investment product or J O Hambro Capital Management Limited;
- Drawing up fund research material;
- Central relationship management;
- Subscribing units/shares as a "nominee" for several clients;
- Training client advisors in collective investment schemes;
- Mandating and monitoring additional distributors.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the Investors.

Disclosure of the receipt of retrocessions is based on the applicable provisions of Federal Act on Financial Services.

## 5.2 Rebates

In the case of distribution activity in Switzerland, J O Hambro Capital Management Limited and its agents may, upon request, pay rebates directly to Investors. The purpose of rebates is to reduce the fees or costs incurred by the Investor in question. Rebates are permitted provided that:

- they are paid from fees received by J O Hambro Capital Management Limited and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria;
- all Investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by J O Hambro Capital Management Limited are as follows:

- the volume subscribed by the Investor or the total volume the Investor holds in the collective investment scheme or, where applicable, in the product range of J O Hambro Capital Management Limited;
- the amount of the fees generated by the Investor;
- the investment behaviour shown by the Investor (e.g. expected investment period);
- the Investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the Investor, J O Hambro Capital Management Limited must disclose the amounts of such rebates free of charge.