



# Simplified Prospectus

(Incorporating the  
ISA Terms & Conditions)

## FP Allium Portfolio Funds

Valid as at 16th November 2015

# Helping you decide

## What you should know before you invest

**This document gives you a summary of information to help you decide if you want to invest in FP Allium Portfolio Funds and provides answers to some important questions.**

**You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.**

The Financial Conduct Authority (FCA) is the UK's independent financial services regulator. It requires us to give you this important information to help you decide whether to invest in a fund.

This Simplified Prospectus contains key information in relation to FP Allium Portfolio Funds (the "Company") which is an open-ended investment company with variable capital incorporated in England and Wales on 27 August 2009 with registered number IC000884. The Company is classified as a Non-UCITS Retail Scheme (NURS) under the rules of the Financial Conduct Authority ("FCA").

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the authorised corporate director with the approval of the FCA. The Company currently has six sub-funds as follows:

**FP Multi-Asset DRP III;**  
**FP Multi-Asset DRP IV;**  
**FP Multi-Asset DRP V;**  
**FP Multi-Asset DRP VI;**  
**FP Multi-Asset DRP VII; and**  
**FP Multi-Asset DRP VIII**

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund.

Potential investors are advised to read the Prospectus dated 16th November 2015 (the "Prospectus") before making an investment decision. The rights and duties of investors as well as their legal relationship with the Company are laid down in the Prospectus.

**Because we are not registered with the relevant authorities in the United States we cannot sell shares to people who are "US persons". If you think you may be a US person please see further details in the Prospectus, including a definition of what a US person is or call us on 0844 620 0069.**



## **The Company and Head Office**

FP Allium Portfolio Funds, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB.

Authorised and regulated by the Financial Conduct Authority.

Administration Office: Fund Partners Limited – Allium Portfolio Funds, PO Box 10870, Chelmsford CM99 2BY.

Telephone: 0844 620 0069.

Fund Partners Limited is a subsidiary of Professional Partners Administration Limited (“PPAL”).

## **Sponsor**

Allium Capital Limited, Building 120, Windmill Hill Business Park, Swindon SN5 6NX. Authorised and regulated by the Financial Conduct Authority.

## **Authorised Corporate Director (“ACD”)**

Fund Partners Limited, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB. Authorised and regulated by the Financial Conduct Authority.

## **Investment Manager**

Mansard Capital LLP, Fielden House, 28 London Bridge Street, London SE1 9SG. Authorised and regulated by the Financial Conduct Authority.

## **Marketing and Distribution for the Funds will be carried out by:**

Allium Capital Limited, Building 120, Windmill Hill Business Park, Swindon SN5 6NX. Authorised and regulated by the Financial Conduct Authority.

## **Depository**

State Street Trustees Limited, 20 Churchill Place, London, E14 5HJ. Authorised and regulated by the Financial Conduct Authority.

## **Administrator**

International Financial Data Services (UK) Limited, IFDS House, St Nicholas Lane, Basildon, Essex SS15 5FS. Authorised and regulated by the Financial Conduct Authority.

## **Registrar**

International Financial Data Services Limited, IFDS House, St Nicholas Lane, Basildon, Essex SS15 5FS.

## **Administration Office (for the Administrator and Registrar):**

Fund Partners Limited – Allium Portfolio Funds, PO Box 10870, Chelmsford CM99 2BY.

Telephone: 0844 620 0069.

## **Auditor**

Deloitte LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2DB.

## **Competent Authority**

The Company is authorised and regulated by the Financial Conduct Authority. They can be contacted at 25 The North Colonnade, Canary Wharf, London E14 5HS or by calling 0845 606 1234 (local call rates). Website [www.fca.org.uk](http://www.fca.org.uk)

# Fund Information

What are the Funds' investment objectives and policies?

The Funds will have their assets invested in accordance with the investment objectives and policies as detailed below.

## FP Multi-Asset DRP III

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund aims to deliver long term capital growth from a broadly cautious approach to investing whilst ensuring that the overall volatility of the portfolio remains within its set volatility band that is typical for a cautious risk fund.

The Fund will seek to achieve its cautious objective through investment predominantly in derivative contracts ("Swaps"). The Fund will therefore receive a return linked to the performance of the basket of assets which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contracts, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

It is intended that derivatives will also be used for efficient portfolio management.

As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX3 with the Bloomberg reference CSEADP3.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the

underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another basket of assets and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## FP Multi-Asset DRP IV

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund will seek to achieve its moderate objective through investment predominantly in derivative contracts ("Swaps"). The Fund will therefore receive a return linked to the performance of the basket of assets which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contract, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

It is intended that derivatives will also be used for efficient portfolio management. As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX4 with the Bloomberg reference CSEADP4.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another basket of assets and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## FP Multi-Asset DRP V

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund will seek to achieve its balanced objective through investment predominantly in a derivative contract ("Swaps"). The Fund will therefore receive a return linked to the performance of the basket of assets which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contract, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non-UK investments may be hedged back into Sterling.

It is intended that derivatives will also be used for efficient portfolio management. In particularly volatile markets, the Fund may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund.

As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX5 with the Bloomberg reference CSEADP5.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another Index and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## FP Multi-Asset DRP VI

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund will seek to achieve its tactical objective through investment predominantly in derivative contracts ("Swaps"). The Fund will therefore receive a return linked to the performance of the Index which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contract, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

It is intended that derivatives will also be used for efficient portfolio management. In particularly volatile markets, the Fund may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund.

As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX6 with the Bloomberg reference CSEADP6.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another Index and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## FP Multi-Asset DRP VII

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund will seek to achieve its tactical objective through investment predominantly in derivative contracts ("Swaps"). The Fund will therefore receive a return linked to the performance of the Index which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contract, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

It is intended that derivatives will also be used for efficient portfolio management. In particularly volatile markets, the Fund may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund.

As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX7 with the Bloomberg reference CSEADP7.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another Index and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## FP Multi-Asset DRP VIII

An equity sub-fund of FP Allium Portfolio Funds.

What is the Fund's investment objective and policy?

The Fund will seek to achieve its objective through investment predominantly in derivative contract ("Swaps"). The Fund will therefore receive a return linked to the performance of the Index which underlie the Swaps. The basket will contain assets that enable the return to be linked to the performance of equities, bonds and cash. Cash, equivalent to the value of any unfunded position of the Swap contract, will be placed on deposit or invested directly in short dated Government bonds, Treasury bills and other money market instruments.

The Fund may also invest in directly held transferable securities, derivatives, cash deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non-UK investments may be hedged back into Sterling.

It is intended that the derivatives will also be used for efficient portfolio management. In particularly volatile markets, the Fund may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund.

As the Fund has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

Use may also be made of stock lending.

### Additional Information

The current basket of assets (the "Index") (selected by the Investment Manager) underlying the Swap is the Dynamic Planner iNDEXX8 with the Bloomberg reference CSEADP8.

The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

Another Index and/or one or more alternative Swap counterparties may be selected from time to time and set out in a future issue of the Company's prospectus.

## What is the profile of the typical investor the Funds are designed for?

The Funds are marketable to both retail and institutional

investors investing in the medium term and seeking to match a specific profile.

**FP Multi-Asset DRP III** – A cautious investor is seeking investments with a return a little higher than 3 month LIBOR and accepts that the value of the investment could fall as well as rise within a relatively low fluctuation and any fall in value is likely to be gradual.

**FP Multi-Asset DRP IV** – A moderate investor is looking for an investment where the long term return should be higher than a high street deposit account, accepting that the value of the investment could fall as well as rise. A moderate investor would feel uncomfortable if their investments rose and fell in value substantially in any one year.

**FP Multi-Asset DRP V** - A balanced investor looking for higher returns than those available from deposits and will accept a greater amount of volatility in the value of their investments as a result. However, they would still expect their investment to fall significantly less than the FTSE.

**FP Multi-Asset DRP VI** – A tactical investor is looking for an investment with potentially a significantly higher return than is available from a high street deposit account and is willing to accept fluctuations in the value of the investment as a result. A tactical investor would feel uncomfortable if their investments fell in value dramatically in any one year.

**FP Multi-Asset DRP VII** - A motivated investor will accept greater risk for higher returns in the long run. They would therefore expect greater movement in the value of their investments including their investment falling to 75% of its value in any one year.

**FP Multi-Asset DRP VIII** – An acquisitive investor who will accept an unlimited risk in the short term to achieve higher returns in the long term. They would feel comfortable if their investments were to fall more than a quarter in a year.

## Risk Factors

### What are the Funds' general risk factors?

We recommend that you contact a financial adviser if you are in any doubt about the suitability of an investment in any Fund, or if you are not confident that

you fully understand the risks involved.

Further details of the investment risks may be found in the Prospectus.

**Market risk** – The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in the Company. There is no certainty that the investment objective of any Fund will actually be achieved and no warranty or representation is given to this effect. Past performance is no guide to the future.

**Effect of initial charge or redemption charge** - Where an initial charge or redemption charge is imposed, an investor who realises his shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

In particular, where a redemption charge is payable, investors should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the initial value of the shares. If the market value of the shares has increased the redemption charge will show a corresponding increase.

Currently there is no redemption charge levied on shares.

The shares therefore should be viewed as medium to long term investments.

**Dilution adjustment** - Investors should note that in certain circumstances a dilution adjustment may be applied to the price payable on the purchase. Where dilution adjustment is not applied the Fund in question may incur dilution which may constrain capital growth.

**Charges to Capital** - Where the investment objective of a Fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's fee and other expenses may be charged against capital instead of against income. This treatment of the ACD's fee and other expenses will increase the amount of income (which may be taxable) available for distribution to Shareholders in the Fund concerned but may

constrain capital growth. Currently none of the Funds charge the ACD fee and other expenses against capital but deduct from income instead.

**Suspension of dealings in shares** - Investors are reminded that in certain circumstances their right to redeem shares (including a redemption by way of switching) may be suspended.

**Pricing and liquidity** - Where a Fund has exposure to alternative asset classes there is a risk that the price at which an asset is valued may not be realisable in the event of sale. This could be due to a mis-estimation of the asset's value or due to a lack of liquidity in the relevant market. As a result, at times, the ACD may have to delay acting on instructions to sell investments, and the proceeds on redemption may be materially less than the value implied by the Fund's price.

**Liabilities of the Company** - Under the OEIC Regulations, each Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance.

**Professional Liability Risks** - As the Company is an 'Alternative Investment Fund' for the purposes of the Alternative Investment Fund Managers Directive ("AIFMD"), the ACD is required to ensure that certain Professional Liability Risks are covered at all times, either through additional own funds and/or through appropriate coverage of professional indemnity insurance. The ACD satisfies its obligations to cover Professional Liability Risks in relation to the Company by: (a) holding professional indemnity insurance (in accordance with the Regulations) and maintaining an amount of own funds to meet the capital requirements under the AIFMD; and (b) complying with the qualitative requirements in the AIFMD that address professional liability risks.

**Currency exchange rates** - Currency fluctuations may adversely affect the value of a Fund's investments and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of his investment in shares.

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

The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets. The following is a brief summary of some of the more common risks associated with emerging markets investment:

- **Fraudulent securities** - Given the lack of a regulatory structure it is possible that securities in which investments are made may be found to be fraudulent. As a result, it is possible that loss may be suffered.
- **Lack of liquidity** - The accumulation and disposal of holdings may be more expensive, time consuming and generally more difficult than in more developed markets. Also, due to the lack of liquidity, volatility may be higher. Many emerging markets are small, have low trading volumes, low liquidity and significant price volatility.
- **Currency fluctuations** - Where a Fund makes investments, which are denominated in a currency other than the base currency of that Fund, there may be a significant change in the relative value of the investments' currency against the base currency. These changes may impact the total return of the Fund to a significant degree. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques.

- **Settlement and custody risks** - Settlement and custody systems in emerging markets are not as well developed as those in developed markets. Standards may not be as high and supervisory and regulatory authorities not as sophisticated. As a result there may be risks that settlement may be delayed and that cash or securities could be disadvantaged.
- **Investment and remittance restrictions** - In some cases, emerging markets may restrict the access of foreign investors to securities. As a result, certain equity securities may not always be available to a Fund because the maximum permitted number of or investment by foreign shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval. The Company will only invest in markets in which it believes these restrictions to be acceptable. However, there can be no guarantee that additional restrictions will not be imposed.
- **Accounting** - Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to companies in emerging markets differ from those applicable in more developed markets in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to properly assess.

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

**Bonds – The Funds may also invest in Bonds, which** are loans to a government or company. They are also known as debt investments, and cover the categories of Debt Securities and Fixed Income Investments. Generally, they will be more stable

than share-based investments but in some circumstances (particularly when interest rates are changing) they can be more volatile. Bonds/Treasury Bills issued by major governments and are generally more stable than those issued by emerging markets or corporate issuers, and in the event of an issuer experiencing financial difficulty there may be a risk to some or all of the capital invested.

**Sub investment grade bonds** - The Funds may hold sub-investment grade bonds. Such bonds have a lower credit rating than investment grade bonds and carry a higher degree of risk.

**Overseas bonds and currencies** - From time to time, a Fund may invest in overseas bonds and currencies. These markets may respond to different influences to those that affect the underlying funds and accordingly carry a higher degree of risk.

**Performance risk** - There will be a variation in performance between Funds with similar objectives due to the different assets selected. The degree of investment risk depends on the risk profile of the Fund chosen.

**Inflation Risk** - Inflation will, over time, reduce the value of your investments in real terms.

**Counterparty Risk** - If a Fund enters into a derivative contract it will be exposed to the credit of the other party (usually referred to as 'counterparty') and their ability to wholly or partly satisfy the terms of the contract.

In the event of a bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and may incur significant losses. The ACD may use one or more counterparties to undertake derivative transactions on behalf of a Fund and may be required to pledge a Fund's assets as collateral against these transactions. There may be a risk that a counterparty will be unable to meet its obligations with regards to the return of the collateral and may not meet other payments due to a Fund.

**Derivatives and Volatility** - The COLL Sourcebook permits the ACD to use certain techniques when

investing in derivatives in order to manage a Fund's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure to over-the-counter ("OTC") derivatives; for example a Fund may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The COLL Sourcebook also permits a Fund to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in the scheme) under certain conditions.

Derivatives will be used in the Funds for the purposes of investment and the Net Asset Value of the Funds may at times be volatile (in the absence of compensating investment techniques). However, it is the ACD's intention that the Funds will not have volatility over the general market volatility of the markets of each Fund's underlying investments owing to the use of the derivatives and/or forward transactions in the pursuit of its objectives. It is not the ACD's intention that the use of derivatives and forward transactions in the pursuit of a Fund's objective will cause its risk profile to change.

**Leverage** - Leverage of the Company's assets is limited to the permanent borrowing referred to in section 25 (Borrowing powers and Leverage) of Appendix III (Investment and Borrowing Powers of the Company) of the Prospectus.

## What specific risk factors affect the Funds?

Specific risks relating to these Funds are as follows:

**Non-UCITS Retail Schemes (NURS)** - The Company and the Funds are classed as NURS for the purposes of the rules in the FCA Handbook. Such funds can have wider investment and borrowing powers than UCITS schemes with higher investment limits in various areas. They can also invest to a greater extent in areas such as property and unregulated schemes and have the option to borrow on a permanent basis. Such additional powers can increase potential reward, but may also increase risk.

**Investing in other collective investment schemes** - Each Fund may invest in other regulated

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

**Unregulated Collective Investment Schemes** - A Fund may invest, in total no more than 20% of the Scheme Property, in unregulated collective investment schemes which are generally considered to be a higher risk than investment in regulated schemes. An unregulated collective investment scheme is unlikely to be subject to regulations which govern how they are managed. For example, they can utilise higher risk investment techniques, they may borrow to invest, they can suspend calculation of net asset value preventing redemption or otherwise limit redemption, they may not adhere to internationally recognised accounting standards and functions such as pricing and custody may not be subject to any rules. A Fund may also invest in unregulated collective investment schemes which are valued less frequently than the investing Fund. As a result, there is a risk that any market movements will not be reflected in the daily price of the Fund and that investors may miss out on unrealised profits from underlying investments.

**Exchange Traded Funds ("ETF")** - The Fund may invest in Exchange Traded Funds. Exchange Traded Funds represent a basket of securities that are traded on an exchange and may not necessarily trade at the net asset value of their underlying holdings. As a result, they may trade at a price that is above or below the value of the underlying portfolio.

**Tax Risk** - The rates of, and any relief from, taxation may change over time. Tax information is set out later in this document. If you have any doubts about your tax position, you should seek professional advice.

**Regular Savings Plan** - If a Shareholder is making regular monthly investments in a Fund with a view to saving for a specific objective, they should regularly review whether these savings will be sufficient to achieve their objective. Shareholders may not achieve their objective if they do not continue to invest regularly with a sufficient amount or if the investment does not appreciate sufficiently.

**Cancellation Rights** - Where cancellation rights are applicable, if Shareholders choose to exercise their cancellation rights and the value of the investment falls <sup>1.1</sup> before notice of cancellation is received by the ACD in writing, a full refund of the original investment may not be provided but rather the original amount less the fall in value.

## Swap specific risks and disclosures

### Credit Risk relating to the Derivative

**Counterparty** - Each Fund will enter into one or more derivative contracts with one or more counterparties with the aim of achieving its investment objectives. Each Fund is therefore exposed to the credit risk of any counterparty to such derivative. If the counterparty to any derivative with a Fund defaults, this may have an adverse effect on the value of the relevant derivative and hence on the NAV of the relevant Fund. Each Fund will seek to reduce this exposure to a particular counterparty, by monitoring the exposure to any counterparty, requesting collateral and taking action that will result in lowering the counterparty risk for the relevant Fund, however there can be no assurance that any of these actions will be successful in reducing a Fund's counterparty exposure.

**Risk relating to the basket of assets (the "Index") for the Swap** - Where any basket of assets (the "Index") for a Swap ceases to be calculated or published, is modified, disrupted or cancelled or is otherwise unable to be used for the purpose of the investment objective of the relevant Fund, the ACD will take steps to make use of another Index or substitute another Swap which resembles as closely as possible the existing Swap or take any steps which it considers necessary to achieve (in so far as it is possible to do so in the circumstances) the investment objective of the relevant Fund. It may be necessary in these circumstances to seek Shareholder approval for this change or to give Shareholders 60 days' notice of the change. Where there is no suitable replacement Swap the ACD may seek the FCA's approval to wind up the relevant Fund.

**Costs associated with the Index** - The Index is published net of costs which may include calculation, rebalancing and/or holding or transaction costs associated with the Index as well as each of the underlying Index components. A copy of the Index rules

and the Index description and risk disclosure is available from [www.alliumcapital.com](http://www.alliumcapital.com)

### Discretion of the Index Rebalancing Entity -

The Index Rebalancing Entity (Indexx Markets Limited) is responsible for the management of the basket of assets underlying the Swap (the "Index") as per the index rules. As such it has the ability to exercise discretion to protect the index in times of market dislocation in the determination of the composition of the basket. Should an underlying component of the basket be deemed unsuitable, for example has liquidity issues, the Index Rebalancing Entity can utilise discretion to adjust the composition. This discretion could have a material impact on the performance of the Fund but is necessary to ensure efficient composition and working of the index at all times.

### Absence of regulation;

**Counterparty default** - In general, there is less government regulation and supervision of transactions in the over-the-counter markets than of transactions entered into on organised exchanges. In addition, many of the protections afforded to some participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with transactions in over-the-counter (OTC) derivative contracts. Therefore, each Fund will be subject to the risk that the counterparty will not perform its obligations under the transactions. The bankruptcy or liquidation of the counterparty, or the counterparty being unable or unwilling to meet its contractual liabilities may have a limited but detrimental impact on the Net Asset Value of a Fund or the ability of a Fund to realise its investment objective.

**Collateral** - The derivatives used by the Funds will aim to be fully collateralised, which means the amount due to a Fund under the relevant derivative is intended to be covered by collateral which will be held in an independent account by State Street Bank & Trust Company, and managed and controlled in accordance with the terms of a "Credit Support Annex". This collateral is held there to provide protection against the event of default by the derivatives counterparty. Default means an event as described in the contract between the Fund and the counterparty, where the swap counterparty does not pay out under the derivative. In such case, a Fund takes the collateral in place of that

payment. The collateral value is compared to the value of the derivative on a daily basis to reduce the risk of a shortfall in the event of default. Such collateral is expected to be in the form of cash. Cash collateral will not be re-invested.

**Legal** - Unlike exchange-traded derivatives, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC derivatives, are generally established through negotiation with the other party to the instrument. This allows greater flexibility but may involve greater legal risk.

There also may be a risk that the parties to OTC derivatives may disagree as to the proper interpretation of its terms which may result in litigation which may have cost implications for a Fund.

**Valuation risk** - Prospective investors should note that there is often no single market value for instruments

such as OTC derivatives such as the Swap. The discrepancies between bid-offer spread or other market quotations on OTC derivatives may be partly explained by various estimates in their pricing models.

**Replacement agreement** - Investors should note that it is intended that each derivative will be entered into with a derivatives counterparty. Each agreement may be terminated by either party in certain circumstances. Should this occur the Company may not be able to enter into a replacement agreement on the same terms or for the same degree of protection and it is possible that in such circumstances the relevant Fund will have to be terminated (or its objective and policy may be changed).

**Market risks** - Performance will be dependent on the performance of the underlying assets of the Swap, known as the "Index". Shareholders should note that their investment is exposed to the price performance, market fluctuations and credit performance of the Index.

## What limits apply to investing in the Funds?

Fund	Share Class and Type	Minimum Initial Investment	Minimum Subsequent Investment	Minimum Holding	Minimum Redemption	Regular Savings Facility*
FP Multi-Asset DRP III	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).
FP Multi-Asset DRP IV	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).
FP Multi-Asset DRP V	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).
FP Multi-Asset DRP VI	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).
FP Multi-Asset DRP VII	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).
FP Multi-Asset DRP VIII	Retail Class Net Accumulation	£3,000	£1,000	£1,000	£1,000	£100 per month (minimum of £50 per Fund).
	Platform Class Net Accumulation	£25,000	£5,000	£5,000	None	£100 per month (minimum of £50 per Fund).

\*Collection date for regular savings is the 10th of each month or the next business day if the 10th falls on a non business day.

# How do I buy/sell my investment?

## General

The dealing office of the Administrator is normally open from 9am to 5pm (London time) on each Dealing Day to receive requests by post or fax on 0870 700 2305 for the purchase, sale, Conversion and Switching of shares. The Administrator may vary these times with the consent of the ACD. Requests to deal in shares may also be made by telephone on 0844 620 0069 each Dealing Day (at the ACD's discretion) between 9am and 5pm (London time) or through such other number as published from time to time. The initial investment must, at the discretion of the ACD, be accompanied by an application form.

Valid instructions to the Administrator to buy or sell shares in a Fund will be processed at the share price calculated, based on the net asset value per share, at the next valuation point following receipt of the instruction. Please see the Prospectus for further details.

## Buying shares

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. Where permitted by the rules in the FCA Handbook, an intermediary who recommends an investment in the Company to Shareholders may be entitled to receive commission from the ACD, which may include ongoing commission based on the value of shares held by a Shareholder. For details of dealing charges see the Prospectus for further details. Application forms may be obtained from the ACD.

Investors wishing to purchase Gross shares, where available, must complete a Declaration of Eligibility and Undertaking, which may be obtained from the ACD.

Valid applications to purchase shares in a Fund (received before the Cut Off Point, if appropriate) will be processed at the share price calculated, based on the Net Asset Value per share, at the next Valuation Point following receipt of the application, except in the case where dealing in a Fund has been suspended.

A confirmation giving details of the number and price of Shares bought will be issued no later than the end of the business day following the later of receipt of the application to buy shares and the Valuation Point by

reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

## Selling shares

Investors are entitled on any Dealing Day to redeem their shares. Valid instructions to the ACD to redeem shares in a Fund (received before the Cut Off Point, if appropriate) will be processed at the share price calculated, based on the Net Asset Value per share, at the next Valuation Point following receipt of the instruction, except in the case where dealing in a Fund has been suspended.

A confirmation giving details of the number and price of shares redeemed will be sent to the redeeming Shareholder (or the first named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the business day following the later of the request to redeem shares or the valuation point by reference to which the price is determined.

Payment of redemption proceeds will normally be made by cheque to the first named Shareholder (at their risk), or, at the ACD's discretion, via bank transfer in accordance with any instruction received (the ACD may recover any bank charge levied on such transfers). Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

Such payment will be made within four business days of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Shareholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the ACD of the request to redeem.

## Can I convert my shares for another share Class in the same Fund?

Subject to any restrictions on the eligibility of investors for a particular share class, an investor may at any time Convert all or some of his shares ("Original shares") of one Class in a Fund for shares in another Class ("New

shares") in the same Fund. There is no charge for Converting between share Classes.

Investors wishing to Convert into gross shares (if they are available) must first complete a Declaration of the Eligibility and Undertaking, which may be obtained from the ACD.

### **Can I switch between the different Funds?**

Subject to any restrictions on the eligibility of investors for a particular share Class, a Shareholder may at any time Switch all or some of his shares ("the Original Shares") for shares of another Fund ("the New Shares") in the Company. The ACD may at its discretion make a charge on the switching of shares between Funds. Any such charge on switching does not constitute a separate charge payable by a Shareholder, but is rather the application of any redemption charge on the Original Shares and any initial charge on the New Shares, subject to certain waivers. A Switch of shares in one Fund for shares of any Class in any other Fund is treated as a redemption and purchase of New shares and will, for persons subject to taxation, be a realisation for the purposes of capital gains taxation.

Investors wishing to Switch into gross shares (if they are available) must first complete a Declaration of the Eligibility and Undertaking which may be obtained from the ACD.

### **When will my investment be made?**

Where an application or telephone instruction is received before 12 noon (UK time) on any business day, the investment will be made at the noon valuation point

on that day. Instructions received after 12 noon will be, carried over to the next business day.

### **How can I keep track of the price of the Funds?**

The previous day's dealing prices of shares in the Funds are available at [www.fundlistings.com](http://www.fundlistings.com), [www.alliumcapital.com](http://www.alliumcapital.com), or [www.fundpartners.co.uk](http://www.fundpartners.co.uk). The prices of shares may also be obtained by calling the ACD on 0844 620 0069 during the ACD's normal business hours.

As the Funds deal on a forward pricing basis, the prices that appear in these sources will not be the same as those at which investors can currently deal.

### **Table of Accumulation and Distribution Dates**

The ACD may also, at its sole discretion, decide to publish certain share prices on third party websites or publications but the ACD does not accept responsibility for the accuracy of the prices published by, or for the non-publication of prices by, these sources for reasons beyond the control of the ACD.

### **When are distributions of income made?**

The FP Allium Portfolio Funds offer Accumulation shares only and so do not pay any income.

Income will be accumulated in the price of Accumulation shares and the share price will be increased to reflect this. Holders of Accumulation shares will be sent an Accumulation Statement giving details of the amount accumulated during the relevant period.

## Table of Accumulation and Distribution Dates

Fund	Final Accounting Date	Interim Accounting Dates	Ex-dividend Dates	Income Distribution/Accumulation Dates
<b>FP Multi-Asset DRP III</b>	30 November	31 May*	1 December	31 January
<b>FP Multi-Asset DRP IV</b>	30 November	31 May*	1 December	31 January
<b>FP Multi-Asset DRP V</b>	30 November	31 May*	1 December	31 January
<b>FP Multi-Asset DRP VI</b>	30 November	31 May*	1 December	31 January
<b>FP Multi-Asset DRP VII</b>	30 November	31 May*	1 December	31 January
<b>FP Multi-Asset DRP VIII</b>	30 November	31 May*	1 December	31 January

\*For reporting purposes only

## Charges & Expenses

What fees and expenses apply to the Fund's shares?

### Fees paid directly by you:

- Initial Charge (see table below)

Fund	Share Class and Type	Initial Charge
<b>FP Multi-Asset DRP III</b>	Retail and Platform Class Net Accumulation	5%
<b>FP Multi-Asset DRP IV</b>	Retail and Platform Class Net Accumulation	5%
<b>FP Multi-Asset DRP V</b>	Retail and Platform Class Net Accumulation	5%
<b>FP Multi-Asset DRP VI</b>	Retail and Platform Class Net Accumulation	5%
<b>FP Multi-Asset DRP VII</b>	Retail and Platform Class Net Accumulation	5%
<b>FP Multi-Asset DRP VIII</b>	Retail and Platform Class Net Accumulation	5%

- Switch Charge: Nil
- Redemption Charge: Nil

### Fees paid out of the Funds' assets:

- Annual Management Charge (see table below)

Fund and Share Type	Share Class and Type	
	Retail Class Net Accumulation	Platform Class Net Accumulation
<b>FP Multi-Asset DRP III</b>	0.20%	0.95%
<b>FP Multi-Asset DRP IV</b>	0.20%	0.95%
<b>FP Multi-Asset DRP V</b>	0.20%	0.95%
<b>FP Multi-Asset DRP VI</b>	0.20%	0.95%
<b>FP Multi-Asset DRP VII</b>	0.20%	0.95%
<b>FP Multi-Asset DRP VIII</b>	0.20%	0.95%

- The Depositary's expenses
- the Custodian's fees and expenses
- The Auditor's Fees and expenses
- Other fees and expenses related to the management and administration of the Fund , for example the investment management fee payable by the ACD to the Investment Manager for which the ACD is permitted to be reimbursed as detailed in the Prospectus (see section 7 "Fees and Expenses").

## How much will any advice cost?

Should you decide to take advice about the Fund your adviser will give you details about the cost. The amount will depend on the size of your investment and, in the case of regular savings, the period for which you make them.

## How will charges and expenses affect my investment?

Shares in a Fund are purchased and sold at the Fund's share price based on net asset value. The initial charge paid as detailed above is deducted from an investor's subscription monies before shares are purchased. For the Net Accumulation share Classes all fees and expenses are deducted from income. The effect of the charges and expenses on an investment are illustrated in the following table which has been put together in accordance with FCA regulatory guidelines.

These calculations are based on the assumption that the investment is growing at a rate of 4.5% per year for a direct investment and are based on an investment into Retail and Platform Class Accumulation shares. All ACDs use the same rates of growth for illustrations but their charges vary.

These figures are not guaranteed and are only used to provide an illustration of the effect that expenses and charges may have on the growth of an investment. What you will get back will depend on how your investment grows. You could get more or less than the figures shown. Do not forget that inflation will reduce what you can buy in the future with the amount shown.

## Illustration of the possible effect of charges and expenses on your investment

Fund Name		FP Multi-Asset DRP III		FP Multi-Asset DRP IV		FP Multi-Asset DRP V		FP Multi-Asset DRP VI	
Share Class		Retail	Platform	Retail	Platform	Retail	Platform	Retail	Platform
Lump Sum Invested		£3,000	£25,000	£3,000	£25,000	£3,000	£25,000	£3,000	£25,000
Illustrative Growth Rate per Annum		4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Initial Charge		5%	5%	5%	5%	5%	5%	5%	5%
Income to date:	At End of Year	Acc	Acc	Acc	Acc	Acc	Acc	Acc	Acc
	1	N/A		N/A		N/A		N/A	
	3								
	5								
	10								
Effect of Deductions to date:	1	£156	£1,487	£158	£1,504	£156	£1,482	£157	£1,494
	3	£185	£2,146	£192	£2,201	£184	£2,130	£188	£2,170
	5	£219	£2,903	£231	£3,002	£215	£2,875	£224	£2,945
	10	£323	£5,302	£353	£5,536	£314	£5,235	£336	£5,402
What you might get back:	1	£2,979	£24,638	£2,977	£24,621	£2,979	£24,643	£2,978	£24,631
	3	£3,238	£26,383	£3,231	£26,328	£3,240	£26,399	£3,235	£26,359
	5	£3,520	£28,252	£3,508	£28,153	£3,523	£28,280	£3,515	£28,209
	10	£4,336	£33,522	£4,306	£33,288	£4,345	£33,590	£4,323	£33,422
This line shows that over 10 years the effect of total charges and expenses could amount to:		£323	£5,302	£353	£5,536	£314	£5,235	£336	£5,402
Putting it another way this would have the same effect as bringing investment growth from 4.5% a year down to:		3.7%	2.9%	3.6%	2.9%	3.7%	2.9%	3.7%	2.9%

Fund Name		FP Multi-Asset DRP VII		FP Multi-Asset DRP VIII	
Share Class		Retail	Platform	Retail	Platform
Lump Sum Invested		£3,000	£25,000	£3,000	£25,000
Illustrative Growth Rate per Annum		4.5%	4.5%	4.5%	4.5%
Initial Charge		5%	5%	5%	5%
Income to date:	At End of Year	Acc	Acc	Acc	Acc
1					
3					
5		N/A	N/A	N/A	N/A
10					
Effect of Deductions to date:		£157	£1,494	£160	£1,516
1					
3					
5					
10		£336	£5,402	£374	£5,702
What you might get back:		£2,978	£24,631	£2,975	£24,609
1					
3					
5					
10		£4,323	£33,422	£4,284	£33,122
This line shows that over 10 years the effect of total charges and expenses could amount to:		£336	£5,402	£374	£5,702
Putting it another way this would have the same effect as bringing investment growth from 4.5% a year down to:		3.7%	2.9%	3.6%	2.8%

Please note that these illustrations are based on Accumulation shares. If you require further details please contact the ACD on 0844 620 0069.

## What is the total expense ratio (“TER”)?

The TER is a measure used to show the annual operating expenses of the relevant Fund. The TER is the accepted standard used in the European Union for the comparison of these costs. Certain costs are excluded from the calculation of the TER. They include:

- The initial charge
- interest on borrowing
- payments incurred due to financial derivative instruments

- entry/exit commissions or any fees paid directly by the investor
- commission sharing arrangements

## Table of charges and expenses

Fund	Share Class	Initial Charge	AMC	TER *
FP Multi-Asset DRP III	Retail Class Net Accumulation	5%	0.20%	0.23%
	Platform Class Net Accumulation	5%	0.95%	0.98%
FP Multi-Asset DRP IV	Retail Class Net Accumulation	5%	0.20%	0.30%
	Platform Class Net Accumulation	5%	0.95%	1.05%
FP Multi-Asset DRP V	Retail Class Net Accumulation	5%	0.20%	0.21%
	Platform Class Net Accumulation	5%	0.95%	0.96%
FP Multi-Asset DRP VI	Retail Class Net Accumulation	5%	0.20%	0.26%
	Platform Class Net Accumulation	5%	0.95%	1.01%#
FP Multi-Asset DRP VII	Retail Class Net Accumulation	5%	0.20%	0.26%
	Platform Class Net Accumulation	5%	0.95%	1.01%
FP Multi-Asset DRP VIII	Retail Class Net Accumulation	5%	0.20%	0.35%
	Platform Class Net Accumulation	5%	0.95%	1.10%

\*TER calculated as at 31 May 2015, unless otherwise stated.

# Estimated TER as the Fund launched on 13 January 2014 but the share class has not yet received any investment.

## **Do you apply a dilution adjustment?**

The actual cost of purchasing, selling or switching assets and investments in the Funds may deviate from the mid-market value used in calculating its share price, due to dealing charges, taxes, and any spread between buying and selling prices of that Fund's underlying investments. These costs could have an adverse effect on the value of the Funds, known as "dilution". In order to mitigate the effect of dilution the FCA Regulations which govern the Funds allow the ACD to adjust the sale and purchase price of shares in the Funds to take into account the possible effects of dilution. This practise is known as making a "dilution adjustment" or operating swinging single pricing. The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Funds.

The dilution adjustment is calculated using the estimated dealing costs of a Fund's underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The need to make a dilution adjustment will depend on the difference between the value of shares being acquired and the value of shares being redeemed as a proportion of the total value of that Fund. The measurement period will typically be a single day but, where a trend develops so that for a number of days in a row there is a surplus of acquisitions or redemptions on each and every day, the aggregate effect of such acquisitions or redemptions as a proportion of the total relevant Fund value will be considered.

Where a Fund is experiencing net acquisitions of its shares the dilution adjustment would increase the price of shares above their mid-market value. Where a Fund is experiencing net redemptions the dilution adjustment would decrease the price of shares to below their mid-market value.

It is the ACD's policy to reserve the right to impose a dilution adjustment on purchases, sales and switches of shares of whatever size and whenever made. In the event that a dilution adjustment is made it will be applied to all transactions in a Fund during the relevant measurement period and all transactions during the relevant measurement period will be dealt on the same price inclusive of the dilution adjustment.

On the occasions when a dilution adjustment is not applied, if a Fund is experiencing net acquisitions of shares or net redemptions, there may be an adverse impact on the assets of that Fund attributable to each underlying share, although the ACD does not consider this to be likely to be material in relation to the potential future growth in value of a share. As dilution is directly related to the inflows and outflows of monies from a Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the ACD will need to make a dilution adjustment.

The dilution adjustment will be applied to the mid price for shares resulting in a figure calculated up to six decimal places. The final digit in this figure will then be rounded either up or down in accordance with standard mathematical principles resulting in the final price for the shares.

It is envisaged (based on future projections) that a dilution adjustment will be applied from time to time.

The dilution adjustment for any one Fund may vary over time because the dilution adjustment for each Fund will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads, and these can vary with market conditions. A typical dilution adjustment may range from 0.0% to 1.5% when buying or selling shares. Full details on this policy are available in the Prospectus.

## **What is the Portfolio Turnover Rate ("PTR")?**

The PTR shows the level of trading activity in the Company over the previous 12 months. The formula used to calculate the PTR is as follows:

$$\frac{(\text{purchases} + \text{sales}) - (\text{subscriptions} + \text{redemptions})}{\text{average Fund value over 12 months}} \times 100$$

Fund	PTR as at 31 May 2015
FP Multi-Asset DRP III	0.55%
FP Multi-Asset DRP IV	0%
FP Multi-Asset DRP V	0.89%
FP Multi-Asset DRP VI	0%
FP Multi-Asset DRP VII	0.88%
FP Multi-Asset DRP VIII	0%

## Economic Information

### What about tax?

The information below is a general guide based on current United Kingdom law and HM Revenue and Customs practice, which are subject to change. It summarises the tax position of the Funds and of investors who are United Kingdom resident and hold shares as investments. Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, are recommended to take professional advice.

### How are the Funds themselves treated for tax purposes?

Each Fund is treated as a separate entity for United Kingdom tax purposes.

The Funds are generally exempt from United Kingdom tax on capital gains realised on the disposal of investments (including interest-paying securities and derivatives, but excluding on non-reporting offshore funds) held within them.

Dividends from both United Kingdom and non-United Kingdom companies are received by a Fund with a tax credit and no further tax is payable by the Fund on that income. The Funds will each be subject to corporation tax at 20% on most other types of income but only after deducting allowable management expenses and the gross amount of any interest distributions. Where a Fund suffers foreign tax on income received, this will normally be treated as an expense or deducted from any United Kingdom tax payable on that income.

### How does tax affect an investor?

All our Funds are "Equity" Funds.

#### Income from "Equity" Funds

Funds which are so called "Equity" Funds for the purposes of tax will normally pay any distributable income as dividend distributions, (which will be automatically retained in the Fund in the case of accumulation shares). Dividend distributions will be paid with a 10% tax credit. United Kingdom resident individuals liable to income tax on investment income at the basic rate will have no further liability to tax. Higher rate taxpayers will have to pay an additional amount of income tax, as will additional rate taxpayers. Non-taxpayers may not reclaim the tax credits on dividend distributions paid.

Corporate Shareholders who receive dividend distributions may have to divide them into two (in which case the division will be indicated on the tax voucher). Any part representing dividends received from a company will be treated as dividend income (that is, franked investment income) and no further tax will be due on it. The remainder will be received as an annual payment after deduction of income tax at the basic rate, and corporate Shareholders may, depending on their circumstances, be liable to tax on the grossed up amount, with the benefit of the 20% income tax credit attached or to reclaim part of the tax credit as shown on the tax voucher.

#### Income from "Bond" Funds

Funds which are so called "Bond" Funds for the purposes of tax currently pay interest distributions (which will be automatically retained in the case of accumulation shares).

These distributions are made after income tax has been deducted and paid to HM Revenue and Customs. A tax voucher will be supplied to Shareholders showing the total interest distribution before the deduction of tax (Gross interest), and where relevant the tax deducted and the amount of the interest distribution after tax has been deducted (net interest).

For individual Shareholders who are liable to income tax at the starting rate on investment income,, the Gross interest will be subject to United Kingdom tax at 10% in the case of taxpayers who are liable to income

tax at the starting rate on investment income, 20% in the case of basic rate taxpayers, 40% in the case of higher rate taxpayers and 50% in the case of additional rate taxpayers. The tax deducted will satisfy in full the tax liability on the interest of Shareholders subject to basic rate income tax. For Shareholders who are starting rate income taxpayers part of the tax deducted will satisfy their liability and part may be reclaimed from HM Revenue and Customs. Shareholders who are higher or additional rate taxpayers will have to pay further income tax. Non-taxpayers may reclaim the tax deducted from HM Revenue and Customs. Where shares are held through ISAs their managers may reclaim any tax deducted. Shareholders subject to United Kingdom corporation tax will be liable to tax on the Gross interest but will receive credit for the 20% income tax deducted.

Non United Kingdom resident Shareholders may be entitled to a refund from HM Revenue and Customs of the tax deducted from their interest distributions (or a proportion of it). This will depend on their personal circumstances and the terms of any double taxation agreement between their country of residence and the United Kingdom.

Currently no Bond Funds are available within the Company.

## Gains

Investors who are resident in the United Kingdom for tax purposes may, depending on their personal circumstances, be liable to capital gains tax or, if a corporate investor, corporation tax on gains arising from the redemption, transfer or other disposal of shares (but not usually on Conversions between classes within a Fund).

Part of any increase in value of accumulation shares represents the accumulation of income (including income equalisation but excluding tax credit). These amounts may be added to the acquisition cost when calculating the capital gain realised on their disposal.

## Client Money

### Delivery versus payment (DVP) exemption

We are required to comply with the FCA's client

money rules, as set out in Chapter 7 of the FCA's Client Assets sourcebook (CASS) (the 'Client Money Rules'). We are making use of the DVP exemption available under the Client Money Rules when handling money for you in connection with the buying or selling of units/shares in our funds. Under the DVP exemption your money need not be treated by us as client money for the purposes of the Client Money Rules in the following two scenarios:

(1) where money is received from you that relates to your subscription to units/shares in one of our funds; and

(2) where money is held by us that relates to the redemption of your units/shares in one of our funds. While we are operating under the DVP exemption, your money will not be subject to the protections conferred by the Client Money Rules and, if we were to fail, the FCA's client money distribution rules as set out in Chapter 7A of CASS (the 'Client Money Distribution Rules') will not apply to these sums and you will not be entitled to share in any distribution under the Client Money Distribution Rules in respect of these sums.

Where we have not paid any money belonging to you to the trustee (in respect of a unit trust), the depositary (in respect of an OEIC) or to you, as the case may be, by close of business on the business day following receipt, we will stop operating under the DVP exemption for that transaction and will treat the relevant sum of money as client money for the purposes of the Client Money Rules.

Any redemption proceeds paid to you by cheque will be held as client money under the Client Money Rules until such time as the cheque is presented.

By buying units/shares in one of our funds through us, you agree to our use of the DVP exemption as set out above. Should we cease at any time to make use of the DVP exemption, you will be notified in advance in writing.

## Interest

We will not pay to you any interest earned on money we hold for you as client money under the Client Money Rules.

## General Information

### What other information can I access?

The annual short report of the Company will normally

be sent to Shareholders within two months of each annual accounting period end. although the ACD reserves the right to despatch the annual report at a later date but not later than four months from the end of each annual accounting period. The half-yearly (interim) short report will be despatched within two months of the interim accounting period end.

The short reports and a report containing the full accounts of the Company (the long report) are available to any person free of charge on request to the ACD.

The relevant accounting end dates are detailed in the "Investing in the Funds" section.

### **Manager's Reports and Company's Prospectus**

Copies of the Prospectus and the latest annual and half-yearly reports may be obtained free of charge, before or after you invest with the ACD, at the administration address quoted within the section "Introduction". In addition the latest annual and half-yearly short reports may be downloaded from our website at [www.fundpartners.co.uk](http://www.fundpartners.co.uk).

### **Distance Marketing Directive**

If an investor has not had a face to face discussion with a representative of the company through which they are making this investment, which could, for example, be the ACD or a company providing financial advice, then the investor is entering into this transaction 'at a distance'.

In this situation an investor does not have a right to cancel this investment unless the ACD decides to extend such a right to them. An investor who has bought shares at a distance can still sell those shares, as they are able to do at any time. However, they cannot recover any initial charges incurred in the purchase of the shares.

This simplified prospectus contains all of the information required for an investment made directly through the ACD. Where shares are purchased through an agent, investors should ask that agent for details of their identity, geographical address and the capacity in which they are acting.

The main service we provide to investors is the

management and administration of the Company. Details of all fees and expenses associated with the provision of this service are provided in this document. There are no additional costs levied by the ACD for investing at a distance, but there may be other taxes or third party costs that may apply to investors depending on their personal circumstances.

The investment contract between an investor and the ACD is governed by English Law and, by purchasing shares, the investor agrees that the Courts of England have exclusive jurisdiction to settle any disputes. All communications in connection with this investment will be in the English language.

Any information in this document is valid only at the date of publication which is stated on the front cover. All such information can change at any time and it will not necessarily be possible for us to notify you of any such changes in advance. Please contact the ACD for updates on any of the enclosed information.

### **Cancellation**

An investor does not have the right to cancel their application to invest in a Fund if the application has been made directly by the investor or if the investor did not meet their adviser or agent face to face though the ACD may, at its discretion, extend cancellation rights to such an investor.

If an investor has received face to face advice on the investment they will have a right to change their mind under rules made by the FCA under the Financial Services and Markets Act 2000. The investor will be able to exercise the right to cancel within 14 days of receipt of the cancellation notice from the ACD and they will receive a refund of the amount invested either in full or less a deduction to reflect any fall in the Fund's price in the intervening period.

### **UK Money Laundering Regulations**

In order to comply with the identification requirements of the UK Money Laundering Regulations, we may need to ask you to provide proof of your identity and address when buying or selling shares or to perform independent electronic searches of third-party databases supplying such information. Until satisfactory evidence has been received we reserve the right to refuse to pay the

proceeds of a redemption of shares to you. Any such withheld proceeds will be held on a client money account; no interest will be payable.

## **Governing Law**

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

## **Complaints**

To obtain a copy of the Complaints Procedure or to make a complaint concerning the operation or marketing of the Company, please write to the Complaints Officer of the ACD at Fund Partners Limited – Allium Portfolio Funds, PO Box 10870, Chelmsford CM99 2BY.

The complaints procedure can also be found on the Allium Capital Ltd page of our website at [www.fundpartners.co.uk](http://www.fundpartners.co.uk). If a complaint is not resolved to your satisfaction and you subsequently wish to take the matter further you may refer it direct to the Financial ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

## **Compensation**

In the event that the ACD is not able to meet its financial liabilities to the investor, the investor may be entitled to compensation under the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Most types of

investment business are covered for 100% of the first £50,000. This level of compensation is set by the UK Government and can change. This is the maximum compensation available.

## **Data Protection: How we use your personal information**

The way in which we may use your personal information is governed by the requirements of the Data Protection Act 1998 ("Act") and is called "personal data" under the Act. For the purposes of the Act, the data controller of any personal data provided to us in connection with your investments is Fund Partners Limited, which is registered under the Act for the purpose of processing personal data.

Fund Partners Limited (we) may use your information to keep your customer records up to date and administer/service your investments. We may pass the information you supply us with to our associated companies and agents for any of these purposes and for systems administration. Your personal information may be disclosed to regulatory bodies for the purposes of monitoring and/or enforcing our compliance with any regulatory rules/codes. Some of the companies may be situated outside of the European Economic Area. Where this happens, we will put steps into place to ensure that your personal information is appropriately protected.

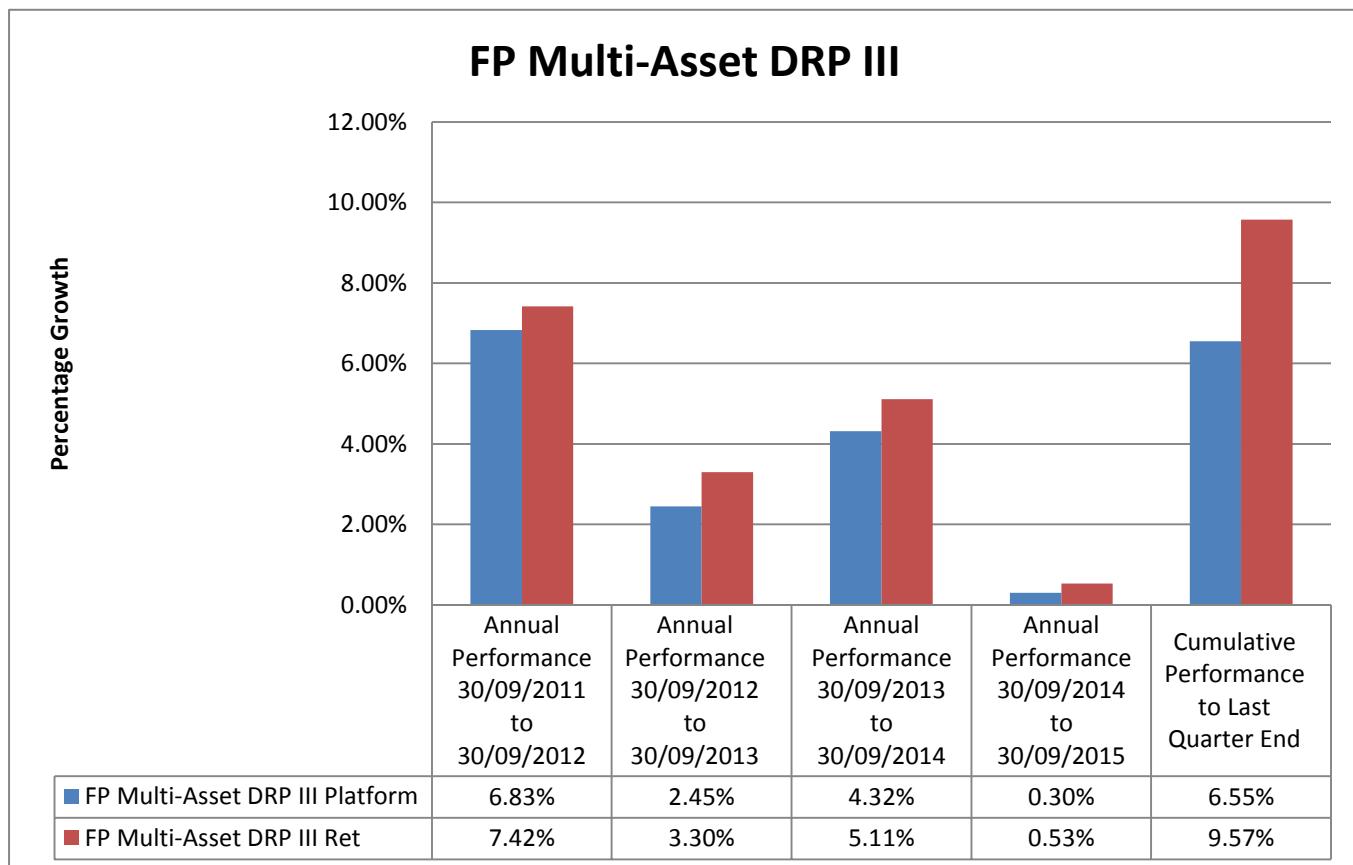
## **Access to the personal information we hold about you**

Subject to payment of a fee (as permitted by the Act), you can ask for a copy of the personal information we hold about you by writing to:

Administration Support, Fund Partners Limited, Cedar House, 3, Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB

## Historical Performance

This section provides details on the historical performance of the FP Allium Portfolio Funds to the month ending 30 September 2015. All performance information is net of tax and charges (subscription and redemption fees, as well as fees associated with each Fund's investments in the Swap) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment. Past performance is no indication of future performance.

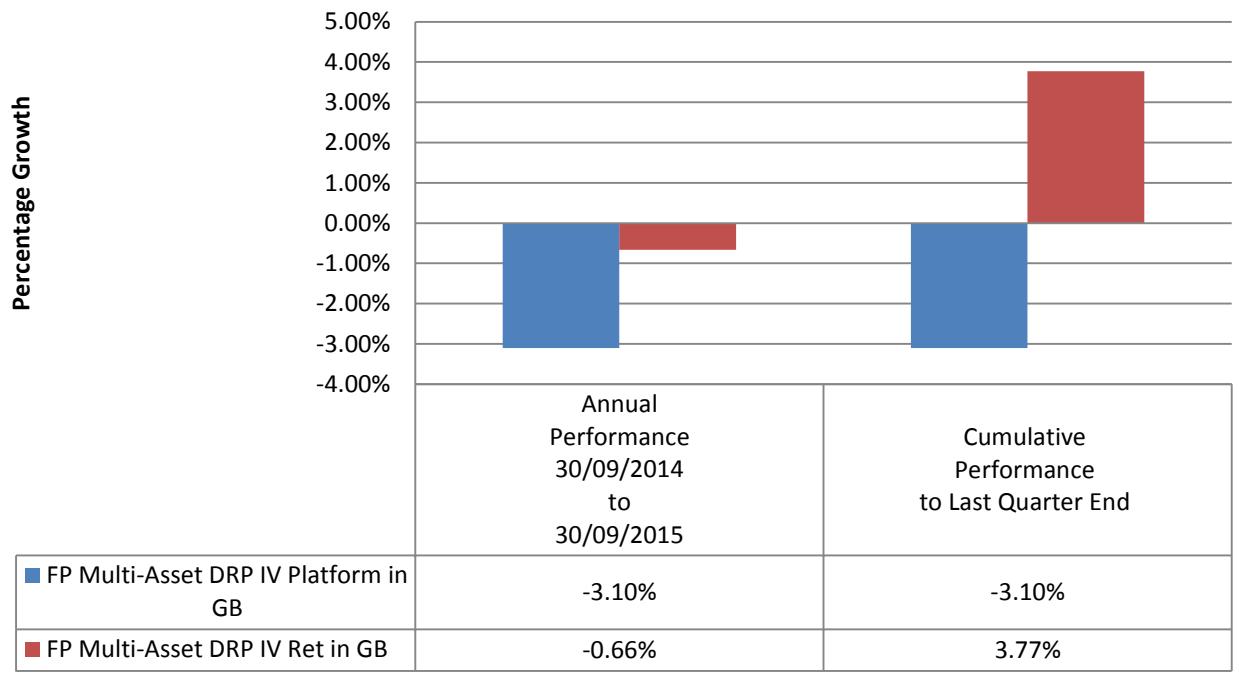


Source: Financial Express

Based on Retail & Platform class Accumulation shares, percentage growth, cumulative, total return.

The Fund was launched on 8 March 2011 with the first dealing date on 14 March 2011.

## FP Multi-Asset DRP IV

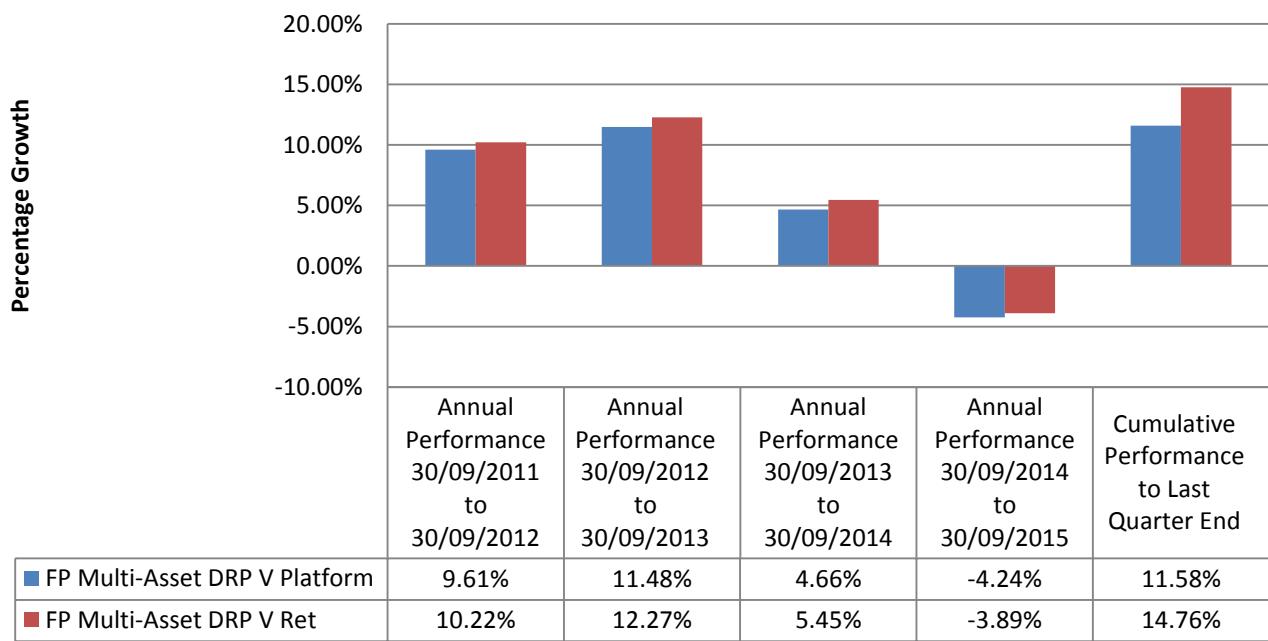


Source: Financial Express

Based on Retail & Platform class Accumulation shares, percentage growth, cumulative, total return.

The Fund was launched on 13 January 2014 with the first dealing date on 25 February 2014.

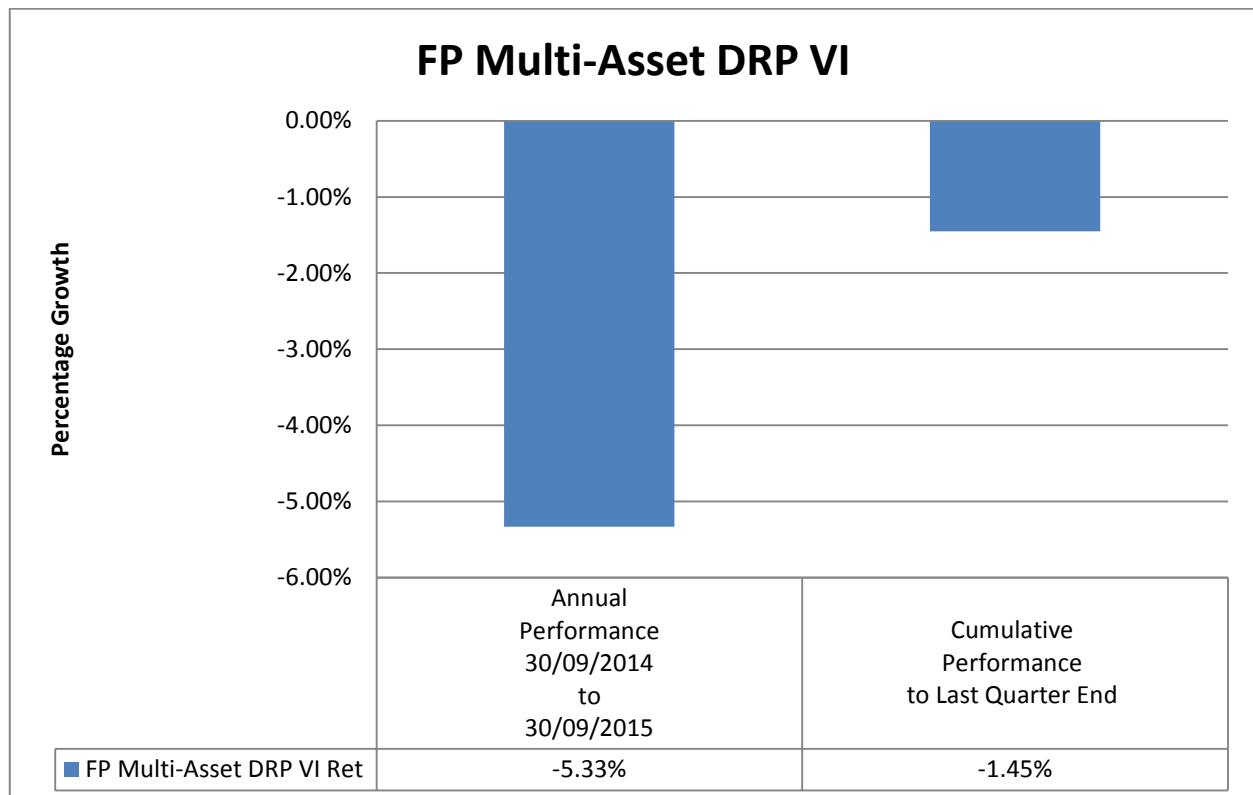
## FP Multi-Asset DRP V



Source: Financial Express

Based on Retail & Platform class Accumulation shares, percentage growth, cumulative, total return.

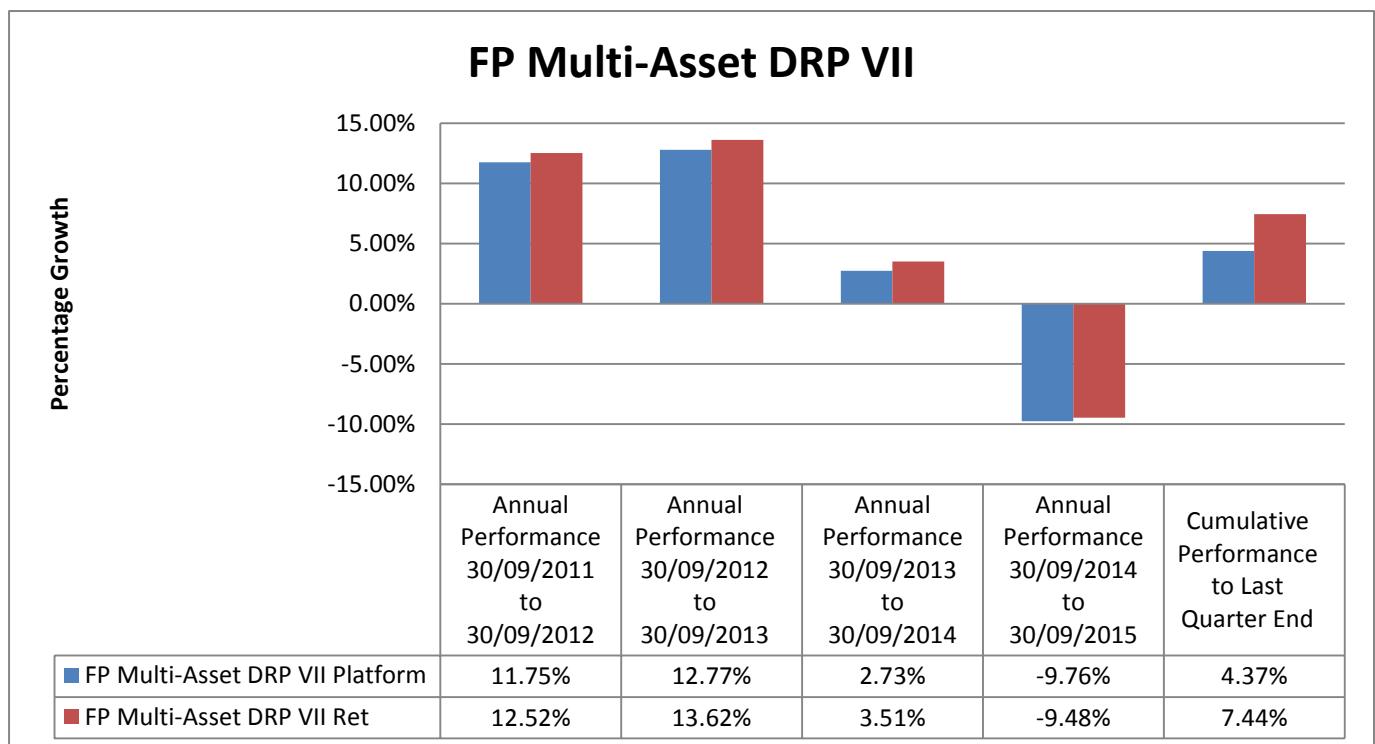
The Fund was launched on 8 March 2011 with the first dealing date on 14 March 2011.



Source: Financial Express

Based on Retail class Accumulation shares, percentage growth, cumulative, total return.

The Fund was launched on 13 January 2014 with the first dealing date on 26 February 2014.

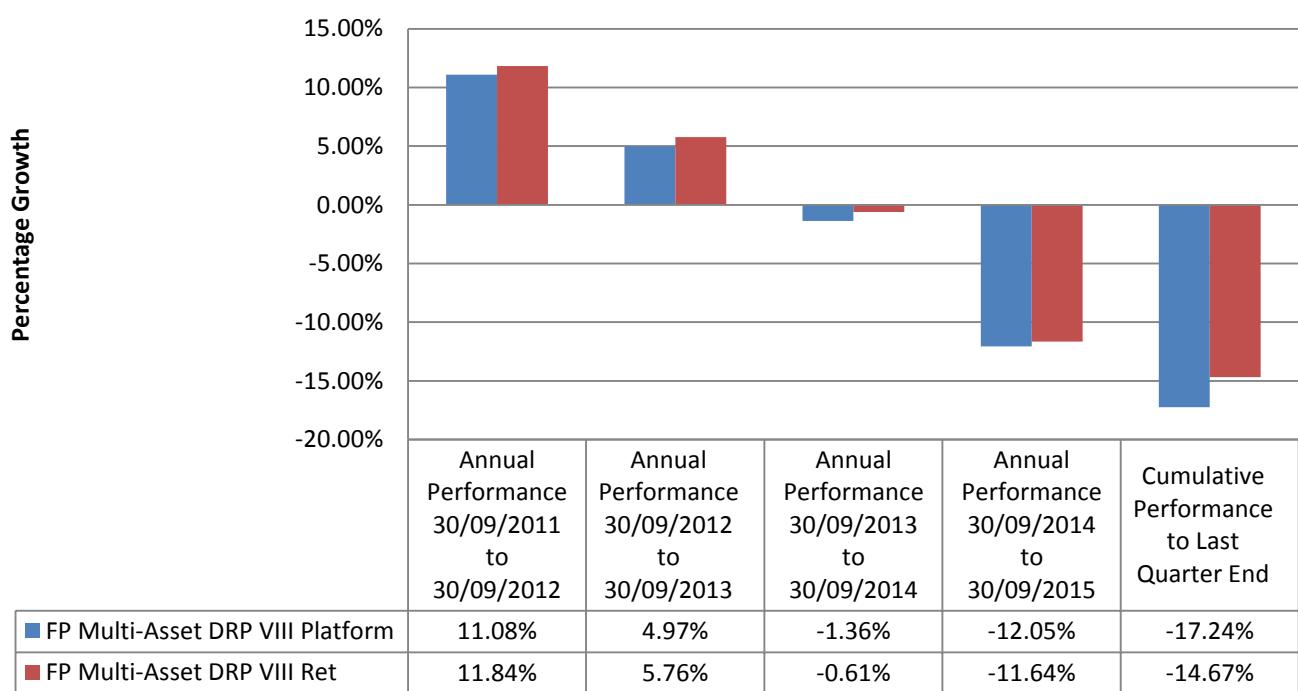


Source: Financial Express

Based on Retail & Platform class Accumulation shares, percentage growth, cumulative, total return.

The Fund was launched on 8 March 2011 with the first dealing date on 14 March 2011.

## FP Multi-Asset DRP VIII



Source: Financial Express

Based on Retail & Platform class Accumulation shares, percentage growth, cumulative, total return.

The Fund was launched on 13 January 2014 with the first dealing date on 24 March 2014.

# ISA Terms and Conditions

These Terms and Conditions are effective from 6<sup>th</sup> April 2015 and substitute in full any previous terms and conditions relating to your ISA investment.

## 1. Definitions

**'Account'** means a Fund Partners Limited ISA invested in the FP Allium Portfolio Funds.

**'ACD'** means the Authorised Corporate Director of the OEIC, which is Fund Partners Limited.

**'Administrator'** means the administrator of the ISA, which is International Financial Data Services (UK) Limited.

**'Distribution Payment Dates'** will be as detailed in the Prospectus for the OEIC.

**'FCA'** means the UK Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS.

**'Fund/Fund(s)'** means a sub-fund or sub-funds of the OEICs.

**'Investments'** means the shares and/or cash held in the ISA.

**'Investor'** means a Qualifying Individual, who invests in an ISA.

**'ISA'** means a Stocks and Shares Individual Savings Account established under the Regulations governed by these Terms and Conditions and subscribed to by the Investor.

**'Manager'** means the ISA Manager which is Fund Partners Limited.

**'OEICs'** means the FP Allium Portfolio Funds, which is an open-ended investment company with variable capital incorporated in England and Wales on 27th August 2009 with the FCA number IC000770.

**'Qualifying Individual'** means an individual aged 18 years or over who is deemed to be resident in the UK for tax purposes. This includes a non-resident who performs duties which by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 are treated as being performed in the UK (Crown employees serving overseas) or is married to, or is in a civil partnership with a person who performs such

duties.

**'Regulations'** means the Individual Savings Account Regulations 1998 (as amended from time to time).

**'Rules'** means the rules of the FCA (as amended from time to time).

**'Terms and Conditions'** means these terms and conditions and the statements and declarations made by the Investor on his or her application form.

**'We/us/our'** means the Manager.

**'Year'** means a year beginning on 6 April in any year and ending on 5 April in the following year.

**'You/your'** means the Investor.

## 2. General

2.1 You should note that in accordance with the Rules, we categorise Investors as "Retail Clients". You will not receive unsolicited calls from us.

2.2 You should be aware of the nature and risks of investing in an ISA. Please see the Simplified Prospectus for more information on the Funds.

2.3 The Account will come into force subject to the Regulations and the provision of these Terms and Conditions on the date the Manager accepts your application.

2.4 These Terms and Conditions shall apply to all transactions between the Investor and the Manager and form the basis upon which the ISA will operate.

2.5 The Manager reserves the right to amend these Terms and Conditions, provided that such variation will not prejudice compliance with the Rules or the Regulations. Any such significant amendment will be notified to the Investor and will automatically take effect 30 calendar days later. We may vary these Terms and Conditions to reflect changes in the Rules or Regulations, without giving you prior notice.

2.6 The Manager will manage the ISA in accordance with the Regulations and will notify the Investor if the ISA has or will become void due to any failure to satisfy them. Should any provision of these Terms and Conditions be or

become illegal, invalid or unenforceable under any applicable law, neither the validity nor enforceability of the remaining provision in these Terms and Conditions will in any way be affected or impaired.

2.7 This ISA is not a stakeholder product (the minimum voluntary benchmark prescribed by HM Treasury).

2.8 You should note that your tax treatment in relation to any investments made under these Terms and Conditions will depend on your individual circumstances and may be subject to change in the future.

2.9 The Manager is authorised and regulated in the conduct of investment business by the Financial Conduct Authority (25 The North Colonnade, Canary Wharf, London E14 5HS, UK), FCA registration number 469278. You can check this by visiting the Register on the FCA's website ([www.fca.org.uk/register](http://www.fca.org.uk/register)) or by contacting the FCA on 0845 606 1234. We are approved by HM Revenue & Customs as an ISA Account Manager under the Regulations.

2.10 The Manager's registered address is at Cedar House, 3 Cedar Park, Cobham Road, Wimborne, BH21 7SB. Authorised and regulated by the Financial Conduct Authority and its website is [www.fundpartners.co.uk](http://www.fundpartners.co.uk).

### 3. Your Application

3.1 You can apply to subscribe to an ISA in either of the following ways:

(a) By completing our application form and returning it to us by post.

(b) By investing a lump sum by calling our dealers on 0844 620 0069. This service is only available to clients who can confirm that they have received the Simplified Prospectus pre-sale.

(c) If you apply by telephone, we will send you confirmation of the details you have provided and a copy of the declaration you have made under the Regulations once we have accepted your application. Once you have received this

confirmation, you have 30 calendar days to tell us if any details are incorrect.

3.2 If you complete our written application form, we will simply send you confirmation of your subscription once we have accepted it.

3.3 If you do not give us the complete information required under the Regulations at the time we receive your application form, then we cannot proceed with your ISA subscription and we will return your application to you for completion.

### 4. Acceptance

4.1 For new ISAs, the Manager can accept a correctly completed and signed application form only if accompanied by a valid cheque payable to Fund Partners Limited or, for those saving on a monthly basis, a valid and correctly completed direct debit mandate made payable to Fund Partners Limited. The Manager does not have to accept every application it receives.

For ISA transfers to the Manager:

4.2 A transfer will only take effect when the Manager has accepted the Investor's application. The Manager will not accept an application unless and until it has received a correctly completed transfer application form; and a cheque made payable to Fund Partners Limited from the investor's previous ISA manager.

4.3 When an Investor transfers from another ISA manager and the Investor has already subscribed in the current tax year, the Investor cannot subscribe further money into the Account with the Manager until after the transfer has been effected and provided the maximum contribution has not already been made.

### 5. Investment

5.1 The minimum investment permitted to open the ISA and the maximum amount that may be invested in the ISA in the tax year can be found on our Stocks and Shares ISA Application Form. The latest version of the application form can be found at [www.fundpartners.co.uk](http://www.fundpartners.co.uk) under the

relevant Sponsor name. The entire ISA tax allowance limit is able to be invested into a Stocks and Shares ISA or a Cash ISA, or any combination of the two, provided that you do not pay in more than the overall ISA limit within the same tax year. The minimum sum that may be invested through the monthly savings plan is £100 per month. Collection date for regular savings is the 10th of the month or the next business day if the 10th falls on a non business day.

5.2 New subscriptions or transfer proceeds will be invested in the relevant Fund at the next buying price applicable at the time of acceptance of the application.

5.3 An Account will be opened for the current tax year and, in the case of an Account subscribed by monthly savings plan, for each successive year until the agreement is terminated.

## 6. Management of the ISA Investments

6.1 We will manage your Account as directed by you in your application or other instruction, and in accordance with the Regulations and these Terms and Conditions.

### 6.2 Best execution

6.2.1 We are required to seek to achieve the best possible result for you when dealing with any order to buy or sell financial instruments and to set out arrangements for this purpose in a "best execution policy".

6.2.2 We are required to consider various factors when deciding how best to deal with orders from customers. These include price, cost, speed, likelihood of execution and settlement, size, nature and other relevant matters. As we have classified you as a Retail Client we will usually consider price to be the most important factor for you.

6.2.3 However, for orders relating to shares in the Funds, the only method available for dealing with most of these in practice is to transmit them to the ACD for execution: the ACD will be

deemed to be the "execution venue" for these purposes. Where there is only one execution venue that we can use in practice to deal with your orders, we will have to use that venue regardless of the impact of the execution factors listed above.

6.2.4 Sometimes one of the Funds may be available via another trading platform provided by a third party. Strictly speaking, this could be an alternative execution venue. However, we do not use such platforms for the Funds, as we do not believe that we would obtain a better price by doing so. The use of a particular platform may also not be permissible under the Regulations; for example, if it means that investments acquired through the platform must be held in the name of a nominee of the platform provider.

6.2.5 The arrangements explained above may involve execution outside of a regulated market or multilateral trading facility (within the meaning of the Rules).

6.2.6 We will monitor the effectiveness of the arrangements mentioned above and implement any necessary changes to our best execution policy from time to time. This will involve reviewing whether using other means to route orders would be feasible and would generate a better result for you. We will notify you of any material changes to our best execution policy and arrangements made from time to time, where they are relevant to you.

6.2.7 Please note, any specific instructions from our customers as to how their orders are dealt with may prevent us from taking the steps that we have designed to obtain the best possible result in the circumstances.

By agreeing to these Terms and Conditions, you will be giving: your prior express consent to the execution of orders outside a "regulated market" or a "multilateral trading facility" (as those terms are defined in the Rules) where this is appropriate; and your consent to our best execution policy as summarised above.

### 6.3 Appropriateness

We are not required to assess the suitability of

the investment or service provided or offered to you and, as a result, you will not benefit from the protection of the Rules on assessing suitability. Therefore, we will not assess whether: the investment or service meets your investment objectives; you are able financially to bear the risk of any loss that the investment or service may cause; or you have the necessary knowledge and experience to understand the risks involved.

6.4 Legal title to the Investments will be vested in the name of the Manager but beneficial ownership will be, and will remain with the Investor. Your investment will not be lent to third parties or used as security for a loan.

6.5 Certificates will not be issued in respect of share holdings in the Fund(s) but any documents evidencing title to an ISA Investment will be held by the Manager or as the Manager may direct.

6.6 If you hold any cash in your Account, we will deposit it in a client money account in our name, with an appropriately regulated bank or institution of our choice in the United Kingdom in accordance with our obligations under the Rules. The bank will hold the cash on our behalf in a trust account separate to any account used to hold money belonging to us in our own right. We will not be responsible for any acts or omissions of the bank. In the event that the bank becomes insolvent we will have a claim on behalf of our customers against the bank. If, however, the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them. No interest will be paid on such cash in accordance with the Regulations and the Rules. If we are holding cash, whether client money or not, we may withdraw it and apply it towards paying fees, charges and other sums due to us.

6.7 The Manager may employ agents in connection with the services it is to provide and may delegate all or any of its powers or duties to any delegate or delegates of its choice. The Manager will satisfy itself that any person to whom it may delegate any of its functions or

responsibilities under these Terms and Conditions is competent to carry out these functions or responsibilities.

6.8 The Manager has appointed International Financial Data Services (UK) Limited as the Administrator to the Accounts.

6.9 Money will not be borrowed on the Investor's behalf. The Investor will not be committed to underwrite any issue or offer for sale of securities.

## 7. Charges and Expenses

7.1 No charges will be levied for the management or administration of the ISA. However, the investment of new subscriptions and transfer payments will attract the normal charges applicable to investors in the Fund. (For further detail please refer to the Simplified Prospectus).

7.2 There is currently an initial charge based on the Net Asset Value for purchases of shares in the Fund(s) and a percentage periodic charge per annum of the Net Asset Value of each Fund. These charges are detailed in the Simplified Prospectus and Prospectus. These charges may only be increased in accordance with the Rules and you will be notified accordingly.

7.3 In the case of transfers, we reserve the right to pass on to you any expenses or costs incurred when transferring Accounts between account managers or transferring your Investments, including any VAT due on these charges. We may review our charges when we consider it appropriate and will notify you 60 calendar days in advance of any increase in our charges.

7.4 If you do not have enough cash in your Account to pay our charges, or any payment of taxes, as they become due, we may sell shares in your Account to raise the required amount. We may apply or waive any of our charges at our absolute discretion.

7.5 If you open an Account through an independent financial adviser, we may pay initial and renewal commission to the adviser at our discretion. These commissions are paid by

us out of our charges and do not constitute additional charges to your Account.

7.6 Please note that other costs, including taxes, may arise that are not paid by the Manager or imposed by it.

## 8. Withdrawals from your Account

8.1 An Investor may, by giving written notice to the Manager, make cash withdrawals of all or part of their Account at any time. On receipt of the Investor's written instructions to make a withdrawal and within such time as stipulated by the Investor in those withdrawal instructions (subject to any reasonable business period not exceeding 30 days, which we require for the practical implementation of the instructions) part of the Account shall be paid to the Investor. If an Investor withdraws all of his Investment his Account will be automatically terminated. This notice of withdrawal should be sent to the Administrator at the operating address given in the Prospectus.

8.2 Normally, shares in the Fund(s) will be sold at the next selling price prevailing at the time of receipt of the written notice by the ACD's Administrator, and the proceeds thereof will be dispatched within four working days following receipt of satisfactory renunciation.

## 9. Income from your Account

9.1 If you ask us to pay out your Fund income to you, we will buy income shares, if they are available, in the Fund(s) of your choice. If you ask us to reinvest your Fund income we will buy accumulation shares. Please refer to the Simplified Prospectus to confirm the availability of income shares and accumulation shares in your chosen Fund.

9.2 If you change your income instructions we will automatically convert or switch your Fund investments to the appropriate type of share if they are available (that is, income or accumulation shares) free of any sales charge.

9.3 We will reinvest any further income your Account receives in the form of distributions, or

other rights or proceeds from any shares held, in the same underlying shares, where you still hold these shares, unless you instruct us to pay this out to you. Where you have switched the underlying shares into shares in other Funds the reinvestment will be made into these other shares. Where you no longer hold the underlying shares within your Account, the income will be paid out to you.

## 10. Transfers and Termination

10.1 On your written request we will, within such time as stipulated by you in those instructions (subject to any reasonable business period not exceeding 30 days, which we require for the practical implementation of the instructions) arrange for the transfer of the ISA (or part thereof) to another approved manager and where possible within such time stipulated by you and subject to the Regulations. However, we cannot guarantee that the transfer will take place on the date requested.

10.2 The Manager may, following 30 days' prior written notice, transfer its responsibilities as manager of the ISA to any entity (including an associate of the Manager) which is approved under the Regulations as a plan manager, if that other entity writes to the Investor and undertakes to carry out all the Manager's duties and obligations in respect of an Account. Following such communication, the Manager will be released from all those duties and obligations that the new manager has undertaken to carry out. Before such a transfer is carried out, the Manager shall satisfy itself that any new manager is competent to carry out those functions and duties to be delegated or transferred.

10.3 The Manager will consider requests in writing to accept the transfer of an ISA held with another approved manager but will require the transfer to be effected in cash.

10.4 The Investor may terminate the ISA immediately by giving the Manager prior written notice. Such termination shall not

prejudice the completion of any transaction commenced prior thereto. The Terms and Conditions shall continue to apply until all outstanding transactions and liabilities have been performed and discharged.

10.5 The Investor may in the termination notice (referred to in clause 10.3) elect to transfer all or part of the Investments to the main share register and such shares shall henceforth be registered in the sole name of the Investor. On written notice to terminate the Account, and within such time as stipulated by the Investor in those termination instructions (subject to any reasonable business period not exceeding 30 days, which we require for the practical implementation of the instructions), Account interest and dividend rights or other proceeds or any cash shall be transferred to you. We will send you any proceeds due, less any applicable charges. Where all or part of the Investments are not transferred, they will be sold at the prevailing forward selling price at the time of receipt of the notice and the Manager shall account to the Investor for the proceeds.

10.6 Proceeds may be paid by cheque or, at your request, electronically; if the latter method is chosen we reserve the right to retain redemption proceeds until all anti-money laundering documentation has been received. Such redemption proceeds will be held on a client money account: no interest will be payable.

10.7 The Account may be terminated by the Manager, at its sole discretion and without giving any reason, by giving the Investor 90 days' written notice. In such circumstances you will have the right to transfer the Account to another plan manager or to receive the investments or their cash value at the relevant time. There is a potential loss of income and growth following a rise in the markets whilst the ISA transfer remains pending.

10.8 The Manager may deduct from the amount of any payment or transfer of Investments an amount to satisfy any sums due to him under these Terms and Conditions and tax liabilities of

the Investor (or his personal representatives) for which the Manager is accountable.

## 11. Death

11.1 Investments cease to be tax-exempt with effect from the date of death of the Investor and the ISA will therefore be terminated immediately upon receipt of a copy of the death certificate.

11.2 The Investments will be transferred, outside the ISA, to the order of the Investor's personal representatives pending receipt of grant of probate and their further instructions. Notwithstanding the termination of the ISA status, the Manager's rights and powers under these Terms and Conditions shall continue and shall bind the Investor's personal representatives.

11.3 Where an ISA holder has died on, or after, 3rd December 2014, their surviving spouse or civil partner can now inherit their ISA tax benefits. The surviving spouse/civil partner will be eligible for an additional allowance equal to the value of the ISA on the date of the holder's death. This Additional Permitted Subscription (APS) is in addition to the surviving spouse/civil partner's usual ISA allowance. Details about how to claim the APS will be sent to the executor(s) along with the required application forms.

## 12. Reports and Shareholders' Meetings

12.1 The Manager shall send the Investor regular bi-annual statements showing the number of shares held, a valuation of those shares and details of all transactions for the period. The OEIC's Short Report will also be sent as and when applicable. Full Long Form Report and Financial Statements may be requested free of charge from the ACD.

12.2 Voting rights attached to Investments will not be exercised by the Manager but arrangements will be made by the Manager for the Investor, if he or she so wishes, to attend Shareholders' meetings, to vote and to receive any other relevant information issued to Shareholders in addition to the annual or

interim reports in respect of the Funds.

### 13. Cancellation Rights

13.1 When your application has been accepted the Manager shall send to you a cancellation notice, as required by the Rules. In order to exercise the right of cancellation, the notice must be returned to the Manager within 14 days of its receipt. In such an event, the Investor will receive back his or her subscription, unless the value of the investment has fallen at the date of the Manager's receipt of the notice. In this case a deduction will be made of the amount by which the value of the investment has fallen.

### 14. Complaints

14.1 The Manager operates a written complaints procedure in accordance with the Rules and a copy of this can be found on our website at [www.fundpartners.co.uk](http://www.fundpartners.co.uk) or can be obtained by writing to the Complaints Manager at the address given below. Any complaint should in the first instance be addressed to the Complaints Manager at: Fund Partners Limited – Allium Portfolio Funds, PO Box 10870, Chelmsford CM99 2BY.

If the matter is not resolved to the Investor's satisfaction, the Investor subsequently has the right to complain to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

### 15. Compensation

15.1 In the event that the ACD is not able to meet its financial liabilities to the Investor, the Investor may be entitled to compensation under the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Most types of investment business are covered for 100% of the first £50,000. This level of compensation is set out by the UK Government and can change. This is the maximum compensation available.

### 16. Liability and Rights of the Manager

16.1 We will not be liable to you for any costs, claims, demands, losses, expenses or any other liabilities whatsoever (including any demands or claims by HM Revenue & Customs) as a result of any loss of opportunity to increase the value of any of your Investments, or any depreciation in the value of any of your Investments other than as a result of our negligence, fraud, wilful default or breach of the Rules.

16.2 We will not be liable for acts or omissions by us or any third party, whether or not that third party is acting as our agent, unless it arises as a result of our negligence, fraud, wilful default or breach of the Rules. We currently have insurance cover for loss of Account investments including loss resulting from misappropriation, negligence, fraud or dishonesty by our employees.

16.3 We will not be liable for any loss or damage suffered as a result of circumstances beyond our reasonable control, provided where relevant that we have complied with the Rules on business continuity. We will not be liable for any negligence, fraud or default by any bank or custodians who hold cash or assets in or on behalf of your Account or any other person, firm or company through or with whom transactions are effected on your behalf.

16.4 The Manager may, without prior notice to the Investor, apply any cash or realise any Investments in payment of any taxes, fees, commissions and/or expenses owed by the Investor to the Manager. In the event that such liabilities remain unsatisfied after such action, the Investor shall on demand promptly pay the Manager any shortfall.

16.5 The Investor shall indemnify the Manager in full in respect of any liabilities, taxes, costs, charges and expenses incurred in connection with the ISA.

16.6 To the extent permitted by the Regulations, the Manager may make claims, conduct appeals and agree on the Investor's behalf liabilities for, and any relief from, tax in respect of the ISA.

16.7 Nothing in these Terms and Conditions shall restrict the Manager's right to provide

investment services to others.

## 17. Notices and Instructions

17.1 Notices and instructions to the Manager should be in writing and signed by the Investor. Such notices and instructions should be sent to the following address – Fund Partners Limited – Allium Portfolio Funds, PO Box 10870, Chelmsford CM99 2BY.

17.2 Notices and other documents to be given to the Investor will be posted to the Investor's last address held by the Manager and will be considered to have been received by the Investor two days after posting.

17.3 You must supply us with all information that we reasonably ask for, in relation to your Account. In particular, you must tell us promptly if you cease to be a Qualifying Individual, change your address, your personal status, your Financial Adviser, or other information you have given us in your Application or any other significant change in your circumstances which might affect your Account. You need to inform us of a change of address by signed, written instructions. You need to inform us of a change of name by signed, written instructions – including the original or certified copy of any legal documentation. If you are an ISA investor, you must write to tell us if you cease to be a Qualifying Individual.

## 18. Confidentiality

18.1 The Manager will not disclose confidential information obtained by it relating to the Investor, to any third party, except in the following circumstances:

- (a) the information is disclosed to any agent of the Manager who will be bound by the same duty of confidentiality;
- (b) when any transaction in the ISA is carried out through a Financial Adviser, the Manager will treat that adviser as the Investor's agent and may disclose full details of the ISA to each such agent and accept instructions from any such agent in respect of the ISA;

(c) with the prior written consent of the Investor; and

(d) where the Manager is under any legal or regulatory obligation to do so.

## 19. Conflict of Interest

19.1 When the Manager or Administrator provides services to you, the Manager or the Administrator (or associates of either) may have an interest or conflict of interest in relation to the transaction. In such circumstances, neither parties (nor their associates) will be liable to account to you for any benefit, profit or commission or other remuneration made or received by reason of the transaction or any connected transaction. The circumstances in which conflicts of interest might arise include where we deal on your behalf with another company in PPAL, where we act for other investors with an interest in such investments or where the transactions are in shares of a Fund for which the company in PPAL is the adviser of the ACD.

19.2 Where a potential conflict arises, we are committed to managing these to prevent abuse and protect our employees, clients and other counterparties and to ensure that transactions and services are effected on terms which are not materially less favourable to the client had the potential conflict not existed. Further detail on our conflicts of interest policy is available on request.

19.3 We are required to identify, manage, record and, where relevant, disclose actual or potential conflicts of interest between us and our clients and between one client and another and to have a written policy in place.

## 20. Personal Data

For details please see the "Data Protection: How we use your personal information" section in the Simplified Prospectus.

## 21. English Law

21.1 We will always communicate with you in

the English language. Your dealings with Fund Partners Limited before and after you have in accordance with English Law.

made an investment with us shall be governed