

Sealed 14th December 1995

W 175(S)

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County - Oxfordshire
 Former Parish - Southstoke cum
 Woodcote
 Charity - Allotments for the
 Labouring Poor

CD(T)
 3,010,019

Scheme

 CHARITY COMMISSION

In the matter of the Charity called Allotments for the Labouring Poor, in the former Parish of Southstoke cum Woodcote, in the County of Oxfordshire, comprised in an Inclosure Award dated the 28th June 1853 made in pursuance of The Inclosure Acts 1845-1882; and

In the matter of the Commons Act 1899; and

In the matter of the Charities Act 1993.

THE CHARITY COMMISSIONERS FOR ENGLAND AND WALES HEREBY ORDER that the following Scheme be approved and established as the Scheme for the regulation of the above-mentioned Charity:-

 S C H E M E

1. Administration of Charity. The above-mentioned Charity and the property thereof shall be administered and managed subject to and in accordance with the provisions of this Scheme by Woodcote Parish Council.

2. Investment of cash. All sums of cash now or at any time belonging to the Charity, other than sums of cash needed for immediate working purposes, shall be invested in trust for the Charity.

3. Trustee and vesting. (1) Woodcote Parish Council shall continue to be the Trustee of the Charity.

(2) The land specified in the first schedule hereto shall continue to be vested in the said Council for all the estate and interest therein belonging to or held in trust for the Charity.

4. Minutes. The Trustee shall keep, in books maintained for the purpose, minutes of the proceedings of its meetings.

5. Accounts and annual report. (1) Until such time as Part VI of the Charities Act 1993 comes into force, statements of account in relation to the Charity shall be prepared and transmitted to the Charity Commissioners in accordance with the Charities Act 1960, except if and in so far as the Charity is excepted by Order or regulations.

(2) Upon Part VI of the Charities Act 1993 coming into force, the Trustee shall comply with its obligations under that Act with regard to:

- (a) the keeping of accounting records for the Charity;
- (b) the preparation of annual accounts for the Charity;
- (c) the auditing or independent examination of the statements of account of the Charity;
- (d) the transmission of the statements of account of the Charity to the Commissioners; and
- (e) the preparation of an annual report and its submission to the Commissioners.

6. Annual return. The Trustee shall comply with its obligations under the Charities Act 1993 with regard to the preparation of an annual return and its transmission to the Commissioners.

7. General power to make regulations. Within the limits prescribed by this Scheme the Trustee shall have full power from time to time to make regulations for the management of the Charity and for the conduct of its business including the summoning of meetings, the appointment of a clerk, the deposit of money at a proper bank and the custody of documents.

8. Allotments. (1) The land belonging to the Charity and specified in the said first schedule shall continue to be used as allotments for the benefit of poor persons resident in the former parish of Southstoke cum Woodcote.

(2) The Trustee shall let each allotment on a yearly tenancy subject to such terms and conditions as are prescribed by rules and regulations made from time to time by the Trustee for the management of the allotments.

(3) No allotment shall be used or occupied for trade or business purposes.

(4) If and in so far as the said land is not required for use for the said purpose it may be let in accordance with the provisions hereinafter contained.

9. Management and letting of lands. The Trustee shall let and otherwise manage all the land belonging to the Charity not required for use as allotments subject to such consents as are required by law.

10. Sale. The Trustee may subject to such consents as are required by law sell the whole or any part of the land specified in the second schedule hereto and may do and execute all proper acts and assurances for carrying any such sale in to effect.

11. Proceeds of sale. Unless the Commissioners otherwise direct the clear proceeds of any such sale as aforesaid shall be invested in trust for the Charity.

12. Discharge of restrictions. Any land sold as aforesaid shall be discharged on completion of the sale from any restrictions as to the use thereof imposed by or under the above-mentioned Inclosure Acts 1845-1882 and any other enactment relating to the inclosure.

13. Expenses of management. The Trustee shall first defray out of the income of the Charity the cost of maintaining the property of the Charity (including the repair and insurance of any buildings thereon) and all other charges and outgoings payable in respect thereof and all the proper costs, charges and expenses of and incidental to the administration and management of the Charity.

14. Application of income. Subject to payment of the expenses aforesaid the Trustee shall apply the income of the Charity for improving the property of the Charity.

15. Questions under Scheme. Any question as to the construction of this Scheme or as to the regularity or the validity of any acts done or about to be done under this Scheme shall be determined by the Commissioners upon such application made to them for the purpose as they think sufficient.

FIRST SCHEDULE

Land containing 23,681 square metres or thereabouts adjoining the recreation ground at the junction of Goring Road and Reading Road at Woodcote in the County of Oxfordshire being part of the land allotted for the purposes of the Charity by the above-mentioned Inclosure Award dated the 28th June 1853.

SECOND SCHEDULE

The following land situate at Woodcote in the County of Oxfordshire being part of the land allotted for the purposes of the Charity by the above-mentioned Inclosure Award dated the 28th June 1853:

1. Land containing 850 square metres or thereabouts lying to the south of the telephone exchange and to the north of No 11 The Close;

2. Land containing 201 square metres or thereabouts lying to the west of the telephone exchange and to the east of No 9 Whitehouse Road;
3. Land containing 380 square metres or thereabouts lying to the east of No 11 Whitehouse Road and to the north of No 9 Whitehouse Road.

Sealed by Order of the Commissioners this 14th day of December 1995.



H. Harrison.

ASSISTANT COMMISSIONER

L.S.

DT2.95(x3) 01.02.95 SK

Certificate of balance

██████████
Woodcote Allotments for the Labouring Poor
Woodcote Parish Council Village Hall
Reading Road
Woodcote
RG8 0QY

19 December 2023

Client name: **WOODCOTE ALLOTMENTS FOR THE LABOURING POOR**

Dear ██████████

We hereby certify that at the close of the business 18 December 2023 the balance(s) on the under mentioned account(s) were as follows:

Fund name: COIF Charities Deposit Fund

Account number	Account sub-title	Value (£)
██████████	WOODCOTE ALLOTMENTS FOR THE LABOURING POOR	575.00
		Total Value
		£575.00

Fund name: COIF Charities Global Equity Fund Inc

Account number	Account sub-title	Units/shares	Price per unit/share (p)	Value (£)
██████████	WOODCOTE ALLOTMENTS FOR THE LABOURING POOR	5,102.61	277.37	14,153.11
				Total Value
				£14,153.11

Correspondence address: PO Box 12892, Dunmow, Essex CM6 9DL

clientservices@ccla.co.uk

Freephone 0800 022 3505

www.ccla.co.uk

Fund documentation is available at www.ccla.co.uk/investments, or may be requested from our Client Services team. Telephone calls are recorded.
CCLA Fund Managers Limited (registered in England and Wales, No. 8735639) is authorised and regulated by the Financial Conduct Authority.
Registered address: One Angel Lane, London EC4R 3AB.

Fund name: COIF Charities Property Fund Inc

Account number	Account sub-title	Units/shares	Net Asset Value price per unit/share (p)	Net Asset Value valuation (£)	Bid price per unit/share (p)	Bid Value valuation (£)
	WOODCOTE ALLOTMENTS FOR THE LABOURING POOR	9,699.60	106.77	10,356.26	105.11	10,195.25
				Mid Value		Bid Value
				£10,356.26		£10,195.25

Fund name: COIF Charities Short Duration Bond Fund Inc

Account number	Account sub-title	Units/shares	Price per unit/share (p)	Value (£)
	WOODCOTE ALLOTMENTS FOR THE LABOURING POOR	11,075.01	122.52	13,569.10
				Total Value
				£13,569.10

Fund name: COIF Charities Ethical Investment Fund Inc

Account number	Account sub-title	Units/shares	Price per unit/share (p)	Value (£)
	WOODCOTE ALLOTMENTS FOR THE LABOURING POOR	5,540.06	299.92	16,615.75
				Total Value
				£16,615.75

Yours sincerely



Alison Jermey
Head of Client Services

Woodcote Allotments

Bank - Cash and Investment Reconciliation as at 31 March 2023

		<u>Account Description</u>	<u>Balance</u>	
<u>Bank Statement Balances</u>				
1	31/03/2023		10,476.81	
				10,476.81
<u>Other Cash & Bank Balances</u>				
		CCLA Deposit Account	574.20	£ 575.00 at 19-12-2023
		CCLA Global Equity Fund	7,487.58	£14,153.11 at 19-12-2023
		CCLA Property Fund	10,924.66	£10,195.20 at 19-12-2023
		Ethical Investment	10,927.21	£16,615.75 at 19-12-2023
		Fixed Interest Fund	14,877.07	£13,569.10 at 19-12-2023
				44,790.72 £ 55,108.21
				55,267.53
<u>Receipts not on Bank Statement</u>				
0	31/03/2023	All Receipts Cleared	0.00	
				0.00
Closing Balance				55,267.53
<u>All Cash & Bank Accounts</u>				
1		Current Bank A/c	10,476.81	
		Other Cash & Bank Balances	44,790.72	
		Total Cash & Bank Balances		55,267.53

COIF Charities Deposit Fund

Scheme Particulars

Scheme Particulars

COIF Charities Deposit Fund

Effective from 20 November 2023

Issued by CCLA Fund Managers Limited (the “**Manager**”)

A copy of this document, which constitutes Scheme Particulars for the COIF Charities Deposit Fund (the “**Fund**”), established in 1985 and regulated by a Scheme dated 2 April 2008 and made under Section 25 of the Charities Act 1993, now Section 100 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014 and 22 July 2014 (the “**Scheme**”), and adopted by the Manager on 22 July 2014 has been filed with the Charity Commission. The Fund is registered with the Charity Commission under Charity Registration Number 1046249.

Should the provisions of the Scheme and the Scheme Particulars be in conflict, the provisions of the Scheme shall prevail.

Any person relying on the information contained in this document, which was current at the date shown above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in these Scheme Particulars are true, clear and not misleading, Depositing Charities and/or potential Depositing Charities should not treat these Scheme Particulars as advice relating to their own legal, tax or investment position. If a Depositing Charity or potential Depositing Charity is in any doubt as to the meaning of any information contained in these Scheme Particulars, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1

The following defined terms are used in this Prospectus:

ABCP	means asset-backed commercial paper, a short-term investment, issued by banks or other financial institutions, with a maturity date typically between 90 and 270 days and backed by collateral such as the payments the issuer expects to receive from, for example, credit card debt or student loans.
Administrator	means HSBC Bank plc, or such successor entity appointed as administrator by the Manager from time to time.
AIFMD Legislation	refers to the Alternative Investment Fund Managers Regulations 2013, the Alternative Investment Fund Managers Directive 2011/61/EU and the Commission Delegated Regulation (EU) 231/2013 as applied in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11:00pm on 31 January 2020.
Annual Management Charge	means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.
Application Form	means the application form to open an account available from the Manager's website.
Auditor	means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.
Base Currency	means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.
Board	means the persons appointed pursuant to the Scheme and as further described in these Scheme Particulars.
Business Day	means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.
Charitable Purposes	bears the meaning as set out in Section 2 of the Charities Act 2011.
Charity	means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an " appropriate body " in Scotland and Northern Ireland within the meaning of section 101(3) of the Charities Act 2011.
Charity Commission	means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.
Common Deposit Fund	means a common deposit fund established under section 100 of the Charities Act 2011.
Custodian	means HSBC Bank plc, the entity appointed by the Fund to be responsible for holding money market securities on behalf of the Fund.
Daily Yield	means the interest applying to the deposited sums on a particular day in accordance with paragraph 29.7.
Data Protection Legislation	means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislation thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.
Depositary Services Agreement	means the agreement dated 21 July 2014 entered into by the Trustee, the Board and the Manager in relation to the depositary services the Trustee provides to the Fund (as amended, supplemented or replaced from time to time).
Depositing Charity	means a Charity which has deposited sums in the Fund.
EEA	means European Economic Area.

EEA State	means a member state of the EEA.
EU	means European Union.
FCA	means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.
FCA Regulations	means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.
Fund	means the COIF Charities Deposit Fund.
Group	has the same meaning as listed in the glossary to the FCA Regulations.
Investment Management Agreement	means the agreement dated 22 July 2014 between the Manager and the Investment Manager delegating the portfolio management of the Scheme Property to the Investment Manager (as amended, supplemented or replaced from time to time).
Investment Manager	means CCLA Investment Management Limited.
Key Information Document	means the document published for the Fund which contains information to help investors understand the nature and the risks of making a deposit in the Fund. A key information document must be provided to investors prior to making a deposit so they can make an informed decision about whether to proceed.
LVNAV	means low volatility net asset value and LVNAV MMF means an MMF that complies with the specific requirements laid down in articles 29, 30, 32 and 33(2)(b) of the MMFR.
Manager	means CCLA Fund Managers Limited or such successor body corporate appointed as manager pursuant to the Scheme.
Member State	means a member state of the European Union for the purposes of the MMFR.
MMF	means money market fund.
MMFR	means Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds together with Commission Delegated Regulation (EU) of 10 April 2018 supplementing Regulation (EU) 2017/1131 as they apply in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 December 2020.
Money Laundering Regulations	means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.
Money Market Instruments	means transferrable instruments normally dealt in on the money market and include treasury and local authority bills, certificates of deposit, commercial paper, bankers' acceptances, and medium or short-term notes.
Net Asset Value or NAV	means the value of the Scheme Property less the liabilities of the Fund as calculated in accordance with Appendix B.
Register	means the register of Depositing Charities maintained by the Registrar on behalf of the Trustee.
Registrar	means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.
Report and Accounts	means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to the periods ending 31 December and 30 June respectively.
Scheme	means the Scheme sealed by the Charity Commission on 2 April 2008 as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014 and 22 July 2014.

Scheme Particulars	means these rules and particulars of the Fund made under the Scheme, as amended or replaced from time to time.
Scheme Property	means the deposits, assets and property of the Fund.
Transfer Agent	means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.
Trustee	means HSBC Bank plc, or any successor body corporate appointed as trustee pursuant to the Scheme.
UK AIF	refers to an alternative investment fund in the United Kingdom and has the same meaning as listed in the glossary to the FCA Regulations.
UK AIFM	refers to the alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Regulations.
VNAV	means variable net asset value and VNAV MMF means an MMF that complies with the specific requirements laid down in articles 29, 30 and 33(1) of the MMFR.

References to any statutory provision or FCA Regulations in these Scheme Particulars shall include any statutory provision or FCA Regulations which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1

The Fund is a Common Deposit Fund established in 1985 and regulated by the Scheme dated 2 April 2008 and made under Section 25 of the Charities Act 1993, now Section 100 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014 and 22 July 2014. The Fund follows the rules and valuation process of a short-term LVNAV MMF in accordance with the MMFR.

2.2

The Fund is managed by the Manager as a UK AIF in accordance with the FCA Regulations, the MMFR and the AIFMD Legislation.

2.3

The object of the Fund shall be the provision of a Common Deposit Fund for the deposit of sums of money from time to time by or on behalf of a Depositing Charity provided that the Depositing Charities shall be entitled, subject to the provisions of the Scheme and these Scheme Particulars, to the repayment of the deposit and to the payment of income in accordance with these Scheme Particulars.

3. Investment Objective

The Fund aims to provide a high level of capital security and a competitive yield.

4. Investment Policy

4.1

The Fund is an actively managed, diversified portfolio of sterling denominated money market deposits and instruments. It will principally invest in sterling denominated call accounts, term deposits and Money Market Instruments, but may invest in other assets.

4.2

The Fund follows a client-driven ethical investment policy.

5. Ethical and Responsible Investment

5.1

The Fund is managed in accordance with CCLA's values-based screening policy.

5.2

CCLA monitors counterparties' environmental, social and governance risk management on a regular basis and takes action if necessary. This process is based on the work of CCLA's Sustainability team and their data providers. Additional information is available from the Manager on request.

6. Comparator Benchmark

6.1

The comparator benchmark for the Fund is the Sterling Overnight Index Average (SONIA), or a similar short-term measure which may replace or succeed it from time to time. This index was chosen as it is widely used in the banking and investment

industries and meets accepted international standards of best practice.

6.2

The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

7. Target Investors

7.1

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. Investors should understand that their capital may be at risk and have the ability to bear losses.

7.2

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

7.3

Investors may be either retail or professional clients (both per se and elective).

8. Investment Powers

The Manager shall comply with the investment powers and restrictions set out in the Scheme and the MMFR, as applicable to the Fund, and summarised in Appendix A.

9. Eligible Assets

The Fund may only invest in the category of assets set out in paragraph 1 of Appendix A.

10. Custody of Assets

The funds placed with the approved financial institutions are held by the Trustee, in its capacity as depository, in the name of the Fund. In the event that the Manager elects to invest in Money Market Instruments, the Board has authorised the appointment of the Custodian to hold such instruments.

11. Valuation

11.1

The Scheme Property will be valued in accordance with the valuation procedure set out in Appendix B.

11.2

As the Fund follows the LVNAV MMF methodology, the Manager will generally determine the value of total deposits of the Fund as equal to the constant NAV. For the purposes of valuation and pricing, the Manager is required to treat the deposits of Depositing Charities as if they were unitised. When carrying out these calculations on a unitised basis, where the actual NAV per 'unit' deviates from the constant NAV per 'unit' by more than 0.20% (the "Collar"), the Manager shall give notice to the Depositing Charity holding such 'unit' in the Fund that:

11.2.1

if the value of such 'unit' has decreased by more than the Collar, the Manager will compulsorily reduce the value of the Depositing Charity's deposit; or

11.2.2

if the value of such 'unit' has increased by more than the Collar, the Manager will compulsorily increase the value of the Depositing Charity's deposit,

in each case so the value of the 'unit' is equal to an amount representing the actual NAV per 'unit', calculated in accordance with paragraph 2 of Appendix B.

12. Credit Quality Assessment

12.1

The Manager has procedures in place, in accordance with the MMFR, to determine whether the credit quality of a Money Market Instrument receives a favourable assessment.

12.2

In carrying out its credit quality assessment, the Manager takes into account at least the following factors and general principles:

12.2.1

the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument;

12.2.2

qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation;

12.2.3

the short-term nature of Money Market Instruments;

12.2.4

the asset class of the instrument;

12.2.5

the type of issuer distinguishing at least the following types of issuers: national, regional or local

administrations, financial corporations, and non-financial corporations;

12.2.6

for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets; and

12.2.7

the liquidity profile of the instrument.

12.3

The Manager shall review its procedures on at least an annual basis to ensure that they are in line with regulatory requirements and market practices and that they remain valid and appropriate for the Fund.

13. Changes to Investment Objective and Policy

13.1

The Board may only alter the Fund's investment objective and, subject to approval by the Board, the Manager may only alter the investment policy in accordance with these provisions and the MMFR.

13.2

Where it is proposed that the investment objective or investment policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a **"fundamental change"** within the meaning in the FCA Regulations such an alteration may only be made following prior approval from the Depositing Charities by way of an extraordinary resolution (having the same meaning as when used in the FCA Regulations and following the same notice procedures for meetings of unitholders as used in the FCA Regulations).

13.3

Where it is proposed that the investment objective or investment policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a **"significant change"** within the meaning in the FCA Regulations such an alteration may only be made following the provision of 60 days' prior written notice to Depositing Charities.

13.4

By way of guidance, the Board and/or the Manager (as appropriate) may consider the change to be significant rather than fundamental where:

13.4.1

the proposed alterations do not alter the risk profile of the Fund;

13.4.2

there is no change to the nature or purpose of the Fund; and

13.4.3

the Depositing Charities are not materially prejudiced by the proposed change.

13.5

In certain limited circumstances the Board and/or the Manager (as appropriate) may decide that very minor changes to the investment policy and/or investment objective of the Fund (for example, those aimed at clarification of the investment objective and/or investment policy) would be considered a **"notifiable change"** within the meaning in the FCA Regulations. Such alterations may be made by providing Depositing Charities with access to an updated copy of these Scheme Particulars. All current scheme particulars for the COIF Charities Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

14. Leverage

14.1

Under the AIFMD Legislation the Manager is required to disclose in what circumstances and how the Manager may use leverage as defined by the AIFMD Legislation (**"Leverage"**) in respect of the Fund and maximum level of Leverage permitted.

14.2

The Manager is not permitted to use Leverage under the Scheme and the MMFR. As a result, no further Leverage disclosures are made.

15. The Board

15.1

The Fund is subject to oversight by the Board, which has been assigned certain duties, details of which are set out in the Scheme. It meets regularly to receive reports and monitor the progress of the Fund.

15.2

The duties of the Board include (but are not limited to):

15.2.1

making an annual report regarding the discharge of its responsibilities;

15.2.2

a duty to inform the Charity Commission promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the Scheme or these Scheme Particulars; and

15.2.3

a duty to inform the FCA promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the applicable provisions of the AIFMD Legislation or the MMFR.

15.3

The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. A non-executive director of the Investment Manager (or an associate) is entitled to be a member of the Board. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member offers investment advice or conducts investment business in relation to the Fund.

15.4

In safeguarding the interests of Depositing Charities, the Board has a number of responsibilities which include setting and subsequently advising on the investment objective and investment policy of the Fund, monitoring performance, the appointment and discharge of the Manager and the Trustee, appointing the Auditor to the Fund, and agreeing the fees charged by the Trustee, the Manager and the Auditor. Prior to the Trustee making any written declaration that the Fund is to be wound up, the Trustee must serve on the Board a notice of the Trustee's intention to wind up the Fund and consider the Board's representations (if any).

15.5

To the extent of those duties and powers specified in the Scheme, the Board members are charity trustees within the meaning of the Charities Act 2011.

15.6

The Board members are entitled to be paid out of the Scheme Property any reasonable costs and expenses incurred by them in carrying out their duties as a member of the Board. Such reasonable costs and expenses may be drawn from the Fund. The Manager currently pays the reasonable costs and expenses of the Board members and intends to continue to do so for the foreseeable future.

16. The Trustee and Depositary

16.1

The Trustee acts as a trustee of the Fund for the purposes of and pursuant to the Scheme. Pursuant to the Depositary Services Agreement and for the purposes of and in compliance with the AIFMD

Legislation and the relevant FCA Regulations, the Trustee has been appointed as depositary to the Fund.

16.2

The depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

16.3

The depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the AIFMD Legislation, the relevant FCA Regulations and the terms of the Scheme.

16.4

The depositary's duties include the following: -

16.4.1

Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to the Fund have been received.

16.4.2

Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that can be physically delivered to the depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.

16.4.3

Ensuring that deposits/withdrawals into/from the Fund are carried out in accordance with applicable law and the Scheme.

16.4.4

Ensuring that the value of the Fund is calculated in accordance with applicable law and the Scheme.

16.4.5

Carrying out the instructions of the Manager, unless they conflict with applicable law or the Scheme.

16.4.6

Ensuring that in transactions involving the Fund's assets, any consideration is remitted to the Fund within the usual time limits.

16.4.7

Ensuring that the Fund's income is applied in accordance with applicable law and the Scheme.

16.5

The appointment of the depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days' written notice provided that the Depositary Services Agreement does not terminate until a replacement depositary has been appointed.

16.6

The depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement.

16.7

Depositing Charities have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

16.8

In general, the depositary is liable for losses suffered by the Fund as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the depositary will be liable to the Fund for the loss of financial instruments of the Fund which are held in its custody. The depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

16.9

The liability of the depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate any such discharge will be notified to the Depositing Charities and consent will be obtained from the Manager to such delegation and discharge. At the date of these Scheme Particulars, the depositary has not discharged its liability for the safekeeping of assets in its safekeeping.

16.10

The depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary shall not be liable for any indirect, special or consequential loss.

16.11

In the event there are any changes to the depositary's liability under the AIFMD Legislation and the relevant FCA Regulations, the Manager will inform Depositing Charities of such changes without delay.

17. Trustee and Depositary Conflicts of Interest

17.1

From time to time actual or potential conflicts of interest may arise between the depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The depositary maintains a conflict of interest policy to address this.

17.2

In addition, actual or potential conflicts of interest may also arise between the Fund, the Depositing Charities or the Manager on the one hand and the depositary on the other hand. For example, such actual or potential conflict may arise because the depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund or the Manager and from which fees and profits in relation to the provision of those products or services may arise and from which the depositary may benefit directly or indirectly. In addition, the depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other clients whose interests may conflict with those of the Fund, the Depositing Charities or the Manager.

17.3

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the Scheme Property. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provide broking services to the Fund and/or to other funds or companies; act as financial adviser, banker, derivatives counterparty or otherwise provide services to the issuer of the investments of the Fund; act in the same transaction as agent for more than one client; have a material interest in the issue of the investments of the Fund; or earn profits from or have a financial or business interest in any of these activities.

17.4

The depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

17.5

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

18. Remuneration and Expenses of the Trustee

18.1

The Scheme provides for the remuneration of the Trustee out of the Scheme Property by way of a periodic charge (plus VAT, if applicable and if any), and the reimbursement of expenses (including VAT, if applicable and if any) properly incurred by the Trustee. The rate of the Trustee's periodic charge is to be agreed in writing with the Board from time to time.

18.2

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

18.2.1

delivery of Money Market Instruments to the Trustee;

18.2.2

custody of assets;

18.2.3

collection of income;

18.2.4

submission of tax returns;

18.2.5

handling of tax claims;

18.2.6

preparation of the Trustee's annual report; and

18.2.7

such other duties as the Trustee is required or empowered by law to perform.

18.3

The maximum periodic charge that may be made by the Trustee, subject to the prior written approval of the Charity Commission, is 0.01% per annum, (plus VAT, if applicable and if any), of the value of the Scheme Property.

18.4

The actual periodic charge agreed with the Board is: 0.001875% per annum on all assets.

18.5

The periodic charge (plus VAT, if applicable and if any), accrues daily to the Scheme Property and is payable monthly in arrears.

18.6

Any increase in the actual or maximum amount of the periodic charge made by the Trustee shall be subject to:

18.6.1

notice of at least 90 days being given to Depositing Charities;

18.6.2

the prior written agreement of the Board; and

18.6.3

the prior written approval of the Charity Commission.

18.7

In addition to the annual charge the Trustee is entitled to be paid custody charges as follows;

18.7.1

Transaction - £3 to £11.25 per transaction;

18.7.2

Safekeeping - 0.003%.

19. The Manager

19.1

CCLA Fund Managers Limited is the appointed UK AIFM and Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 8735639, whose registered address and details are shown in Appendix D.

19.2

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 611707. The Manager has permission from the FCA to act as a full scope UK AIFM. The only business activity of the Manager is the management of UK AIFs as a UK AIFM. The ultimate holding company of the Manager is CCLA Investment Management Limited.

19.3

Subject to the FCA Regulations and the AIFMD Legislation the Manager may delegate (and authorise its delegate to sub-delegate) its duties as Manager.

19.4

The Manager has delegated the provision of certain services including investment management, administration and the preparation of various reports for Depositing Charities to the Investment Manager and Administrator as detailed below.

19.5

The Manager's appointment may be terminated by the Board acquiring approval by the Trustee and serving written notice on the Manager.

19.6

The Manager is entitled to its pro rata fees and expenses (as provided for in the Scheme and detailed in these Scheme Particulars) to the date of termination of its appointment as Manager of the Fund and any additional expenses necessarily incurred in settling or realising any outstanding obligations.

19.7

The Manager is responsible for all the investment management and administration services in relation to the Fund set out under paragraph 15 of the Scheme. These include:

19.7.1

deciding, subject to these Scheme Particulars, the terms and conditions on which deposits are accepted by the Fund, and giving instructions to the Trustee with respect to the receipt and repayment of deposits, and the payment of income in respect of deposits;

19.7.2

the day-to-day management of the Fund;

19.7.3

the making of any necessary calculations of the yield in respect of deposits made with the Fund and that these calculations of the yield are correctly carried out and to ensure that correct payments of income are made;

19.7.4

the keeping of a daily record of all of the Fund's transactions including the receipt and repayment of deposits;

19.7.5

the preparation of any valuations or other calculations to be made under these Scheme Particulars;

19.7.6

the keeping of such accounts as the Trustee or the Board may require; and

19.7.7

any matters incidental to the above matters.

19.8

The Manager is also responsible for the risk management of the Fund. The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objectives of the Fund will be successfully accomplished.

19.9 Remuneration and Expenses of the Manager

19.9.1

The Annual Management Charge is based upon a fixed percentage of the capital assets of the Fund. The fee is accrued daily and is charged to the Fund on or around the last Business Day of each month. The charge is a maximum of 0.20% p.a. (plus VAT, if applicable), which is charged to the income of the Fund before the declaration of the Daily Yield. In a negative yield environment, the Annual Management Charge will be deducted from capital.

19.9.2

The Annual Management Charge on large account balances (typically accounts with balances of £15 million and over) may be reduced, at the Manager's discretion, through a rebate of a proportion of the Annual Management Charge earned by the Manager in order to enable a higher yield to be paid to these accounts.

19.9.3

The current and maximum charges respectively have been agreed with the Board.

19.9.4

Any increase in the actual or maximum amount of the Annual Management Charge shall be subject to:

19.9.4.1

notice of at least 90 days being given to Depositing Charities;

19.9.4.2

the prior written agreement of the Board; and

19.9.4.3

the prior written approval of the Charity Commission.

19.9.5

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

20. The Investment Manager

20.1

CCLA Investment Management Limited is the appointed Investment Manager of the Fund. The Investment Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose registered address and details are shown in Appendix D. The Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281.

20.2

The Investment Manager has been appointed by the Manager pursuant to the Investment Management Agreement to provide portfolio management and administrative services to the Fund under the Investment Management Agreement. The Investment Manager also provides secretarial services to the Board.

20.3

Under the terms of the Investment Management Agreement, the Investment Manager's appointment may be terminated on three months' written notice by the Investment Manager or by the Manager, or in certain limited circumstances immediately by the Manager. The Investment Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Investment Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Investment Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Investment Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

20.4

The Manager is responsible for any fees payable to the Investment Manager and meets the fees of the Investment Manager from the Annual Management Charge the Manager receives for its services to the Fund.

21. The Registrar

The Trustee has appointed CCLA Fund Managers Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for the appointment to be terminated by either party giving 90 calendar days' written notice to the other. Earlier termination

can only occur in specific circumstances, including a material and irremediable breach by either party.

22. The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix D.

23. The Administrator

HSBC Bank plc is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under an agreement with the Investment Manager and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The registered address of the Administrator is shown in Appendix D.

24. Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix D.

25. Depositing Charities' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Investment Manager, the Transfer Agent, the Auditor and the Administrator, whose details are set out in these Scheme Particulars ("**Service Providers**"). No Depositing Charity will have any direct contractual claim against any Service Provider with respect to such Service Provider's default. This is without prejudice to any right a Depositing Charity may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of the Financial Services and Markets Act 2000 (as a result of a breach of the FCA Regulations by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

26. Other Expenses

26.1

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

26.1.1

fiscal charges and other disbursements which are necessary or properly to be incurred in effecting transactions for the Fund;

26.1.2

taxation and duties payable in respect of the Scheme Property or the Scheme, if applicable;

26.1.3

any costs incurred in modifying the Scheme where modification is:

26.1.3.1

necessary to implement, or necessary as a direct consequence of, any changes in the law; or

26.1.3.2

expedient having regard to any change in the law made by or under any fiscal enactment; or

26.1.3.3

to remove obsolete provisions from the Scheme; or

26.1.3.4

agreed by the Manager and Trustee to be in the interests of Depositing Charities.

26.1.4

the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor;

26.1.5

the proper expenses of the Board; and

26.1.6

such other fees or expenses as may from time to time be agreed with the Trustee and depositary.

27. Preliminary Charge

No preliminary charge is made on the opening of a COIF Charities Deposit Fund account or initial deposit.

28. Register of Depositing Charities

28.1

The Register is maintained on behalf of the Trustee by the Registrar. Accounts are usually registered in

the name of Depositing Charities (or where applicable, accounts may be registered in the name of a nominee company acting on behalf of a Depositing Charity). Accounts cannot be registered in the names of the individual trustees.

28.2

The Register may be inspected by or on behalf of Depositing Charities during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the deposits with the Fund. The Register contains the name of each Depositing Charity, the sums of money on deposit and the name and address of the correspondent for each account. In addition, the Register may also contain the following particulars: details of the nominee company acting on behalf of a Depositing Charity; client designation; bank account details for the remittance of any income and withdrawals; authorised signatory(ies) and the number of signatures required. No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any deposit, and the Manager and the Trustee shall not be bound by any such notice.

28.3

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid to the Manager.

29. Deposits and Withdrawals

29.1 Deposits

29.1.1

Applications for the Fund must be made by completion of the Application Form and submitted to the Transfer Agent.

29.1.2

Applications for the initial deposit and all subsequent deposits must be made using a completed deposit form. By completing the form, the applicant/Depositing Charity will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the published cut-off time (currently 9:30am).

29.1.3

Cheques, if used, must be drawn on an account in the name of the applicant/Depositing Charity and made payable in the Base Currency of the Fund to “**CCLA Fund Managers Limited CMPA**”. Deposits will be processed on the day of receipt if the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the published cut-off time (currently 9:30am). Deposits will be processed on the next Business Day if

instructions are received, or funds clear after the published cut-off time.

29.2 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("CASS") where it holds client money (as defined by CASS).

Client money typically arises during the deposit and withdrawal processes where a Depositing Charity passes money to the Manager for the purpose of making a deposit in the Fund or the Manager passes money due to the Depositing Charity as the result of making a withdrawal of a deposit from the Fund. All deposits are received into a client money account and all withdrawals are passed into, and paid from, a client money account.

Money received for deposits or withdrawals: Any money which is received by the Manager prior to being deposited in the Fund or following a withdrawal will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Depositing Charities' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Depositing Charity.

Insolvency of the third-party bank holding client money: If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the Depositing Charities against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the amount of client money held with the bank and any client money claimed by the Manager on behalf of Depositing Charities. In these circumstances, Depositing Charities will share that shortfall with all other clients in proportion to their respective claims, and Depositing Charities may not receive back all the client money due to them.

29.3 Eligible Depositing Charities

Any Charity in England and Wales and any appropriate body in Scotland and Northern Ireland within the meaning of the Charities Act 2011 may

normally invest in the Fund, unless precluded by a specific provision in the Charity's governing instrument, provided always that such a Charity is recognised by HM Revenue & Customs as a Charity for tax purposes. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of eligible Depositing Charities (please see the section headed Anti-Money Laundering Requirements in paragraph 32 below). Any Charity (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Charity to invest in the Fund. Where a Depositing Charity (potential or otherwise) is found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and withdraw the deposit. The Manager reserves the right to decline any application for a deposit fund account or to close a deposit fund account at any time, without giving any reason.

29.4 Minimum Initial and Subsequent Deposits

No minimum sum is required to open an account and further deposits made may be of any amount.

29.5 Withdrawals

Withdrawals of any amount may normally be made on demand without penalty. Withdrawal instructions, which must be made on the withdrawal forms provided and signed in accordance with the existing mandate, will be carried out on the day of receipt if received by the published cut-off time, otherwise on the next Business Day. Payments will only be made direct to the Depositing Charity's bank account by bank transfer. In the event funds are returned, the Manager will take reasonable steps to contact the Depositing Charity to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Depositing Charity's payment instructions being incorrect or not being kept up to date.

29.6 Regular Deposits/Withdrawals

An applicant/Depositing Charity may place deposits and withdrawals at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For deposits, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form, the applicant/Depositing Charity will confirm that they have received, read and understood the Key Information Document. For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

29.7 Daily Yield

29.7.1

After taking into account the Annual Management Charge, fees and expenses of the Trustee, the Manager will declare the yield for each day. The yield will apply to all accounts. In certain market conditions, the yield may be negative.

29.7.2

Higher yields may apply to accounts with large balances (typically accounts with balances of £15 million and over) at the Manager's discretion. The provision of an enhanced yield for larger deposits is achieved at the expense of the Manager who may reduce the Annual Management Charge in respect of large balance accounts through a rebate of the proportion of the Annual Management Charge earned by the Manager. In this instance, the points at which a higher yield apply and the differential between the standard yield and the higher yield may vary from time to time.

29.8 Application of the Daily Yield

The appropriate Daily Yield (whether positive or negative) is applied to the daily balance of the deposited sums from the day of deposit up to and including the day prior to withdrawal. At the end of each month, any income payable without deduction of income tax is credited either to the deposit fund account of the Depositing Charity or is paid to the Depositing Charity's nominated bank account normally within five Business Days after the month end. The latter also applies to Depositing Charities who request a full withdrawal and closure of their deposit fund account during the income accrual period.

Applying a negative Daily Yield to the daily balance of the deposited sums will erode the value of the deposit.

29.9 Publication of the Daily Yield and Performance

The Daily Yield is published on the Manager's website www.ccla.co.uk. The Daily Yield may also appear or be published in other third party websites or publications. The Manager does not accept responsibility for the accuracy of the Daily Yield published in, or for the non-publication of the Daily Yield by, these sources for reasons beyond the control of the Manager.

The Fund's past performance is set out in Appendix E and is also available on the Manager's website www.ccla.co.uk.

29.10 Authority to Open and Operate Accounts

29.10.1

The Manager is entitled to assume that the persons signing the Application Form as authorised officials

are duly authorised on behalf of the Charity to open a deposit fund account in the Charity's name.

29.10.2

The Manager requires that an authorised correspondent is nominated by the Charity for each deposit fund account opened and requires the signatures of two authorised signatories to act, one of which may be the authorised correspondent, in respect of all transactions until they receive written notice to the contrary.

29.11 Regular Statements

All deposits and withdrawals are acknowledged within two Business Days. Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

30. Changes to Authorised Signatories and Correspondents

A Depositing Charity must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Charity with deposits in the Fund must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Charity (or the nominee company acting on behalf of the Charity) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Charity. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

31. Depositing Charities' Meetings

31.1

Any meeting of Depositing Charities shall be held in accordance with the FCA Regulations, and all the provisions of the FCA Regulations shall apply to such meetings. A meeting of Depositing Charities duly convened and held by the Trustee may vote on a resolution:

31.1.1

to approve a proposed scheme of amalgamation put forward by the Manager, or Trustee and the Board members (or either of them); or

31.1.2

to approve a proposed scheme of reconstruction put forward by the Manager, or Trustee and the Board members (or either of them).

31.1.3

to approve fundamental changes of investment objective and investment policy.

31.2

A meeting of Depositing Charities has no other powers.

32. Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether named within the Application Form or associated with the eligible Depositing Charity (or who are subsequently appointed to act for the eligible Depositing Charity) to satisfy itself as to the identity of the eligible Depositing Charity and those acting on its behalf. Proof of identity may sometimes be required either when accepting or releasing deposits from time to time, even of existing Depositing Charities. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process withdrawal requests or release withdrawal proceeds.

33. Treating Customers Fairly

The Manager is committed to Treating Customers Fairly (TCF). The Manager has reviewed these Scheme Particulars in the context of TCF and believes it is in accordance with its TCF commitment.

34. Complaints

34.1

The Manager has established a complaints policy to investigate complaints received.

34.2

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix D.

34.3

Depositing Charities who are eligible complainants (as defined in the FCA Regulations) may have the right to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Depositing Charity.

The address, telephone number and website of the FOS is shown in Appendix D.

34.4

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

35. Risks

Investors should consider the following risk factors before investing in the Fund.

35.1 General Investment Risks

35.1.1

The Manager undertakes to exercise reasonable care in its placing of deposits or purchasing Money Market Instruments from a selected list of approved financial institutions, but it cannot give guarantees regarding repayment. The Daily Yield on the Fund is variable and could be negative. A negative Daily Yield will be applied to the balance of deposited sums which would erode the value of the deposit. Past performance is not a reliable indicator of future results.

35.1.2

A deposit in the Fund is not a guaranteed investment. A deposit in the Fund is different from a deposit with a bank, as the amount invested in the Fund is capable of fluctuation and may be eroded. The Fund does not rely on external support for guaranteeing the liquidity of the Fund or stabilising the Net Asset Value of its assets. The risk of loss of the amount deposited shall be borne by the Depositing Charity.

35.2 Political Risk

35.2.1

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies and in legal, regulatory and tax requirements.

35.3 Counterparty Risk

35.3.1

Whilst the Investment Manager will place transactions, hold positions and deposit cash with a range of approved financial institutions (counterparties), there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

35.4 Credit Risk

35.4.1

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default. The Fund is only permitted to invest with financial institutions that have the highest short-term credit ratings.

35.5 Settlement Risk

35.5.1

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

35.6 Interest Rate Risk

35.6.1

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

35.6.2

In a negative yield environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value. This could affect the value of deposited sums which may fluctuate and capital may be eroded.

35.7 Concentration Risk

35.7.1

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

35.8 Operational Risk

35.8.1

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

35.9 Cyber Event Risk

35.9.1

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, "**cyber-events**"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Depositing Charities. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Depositing Charities to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund's investments to lose value.

35.10 Inflation Risk

35.10.1

The real value of returns achieved from deposits in the Fund will be affected by the rate of inflation experienced over the holding period.

35.11 Other Risks including Terrorism and Pandemic Risk

35.11.1

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Fund and materially and adversely affect its operation.

35.12 Tax Risk

35.12.1

The tax information provided in the "Taxation" section is based on tax law and practice at the date of these Scheme Particulars. Tax legislation, the tax status of the Manager, the Fund, the taxation of Depositing Charities and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

35.12.2

The availability and value of any tax reliefs to Depositing Charities will depend on the particular circumstances of individual Depositing Charities. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Depositing Charities should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

35.13 Liquidity Risk

35.13.1

The Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair.

35.14 Risk Factors Not Exhaustive

35.14.1

The risks set out in these Scheme Particulars do not purport to be exhaustive and potential investors should be aware that a deposit in the Fund may be exposed to risks of an exceptional nature from time to time.

36. Risk Management Process and Liquidity Management

36.1

The Manager employs a risk management process, including the use of appropriate stress testing procedures, which enables it to identify, measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund. This is set out in more detail in paragraph 1 of Appendix C.

36.2

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions. This is set out in more detail in paragraph 2 of Appendix C.

36.3

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to repayment requests. In normal circumstances, repayment requests will be processed as set out in these Scheme Particulars.

36.4

Other arrangements may also be used in response to repayment requests, including, in extreme cases, temporary suspension which, if activated, will restrict the repayment rights Depositing Charities benefit from in normal circumstances as set out in these Scheme Particulars.

37. Compensation

37.1

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it has acted on the instructions of the Depositing Charity (or nominee company acting on behalf of the Depositing Charity) in accordance with the mandate.

37.2

In certain circumstances a Depositing Charity may be entitled to protection from the FSCS. The Fund is **not** a bank account and therefore deposits in the Fund are **not** covered by the FSCS's deposit protection. The Fund is recognised as an MMF under the MMFR and is a UK AIF. Therefore, under the rules of the FSCS it is an investment and is covered under the 'Investments' section of the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. However, please be aware that the compensation limits from the FSCS apply at a firm level. This means, for example, that if the Manager cannot meet its obligations and a Depositing Charity has investments in more than one CCLA fund (and each fund is eligible under the FSCS), then it is likely that the maximum amount that would be protected would be £85,000, provided the Depositing Charity is eligible to claim.

For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

38. Material Interests and Conflicts

38.1

The Manager, the Investment Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

38.2

The Trustee may, from time to time, act as trustee of other funds.

38.3

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations and the AIFMD Legislation, ensure that the performance of their respective duties will not be impaired by any such involvement.

38.4

The Manager operates a client relationship management service to offer suitable support to

Charities. It should be noted that this service is associated with the COIF Charities Funds and that the COIF Charities Investment Fund owns 22.37% of the share capital of the Investment Manager as at 31 December 2022.

39. Conflicts of Interest Policy

39.1

The Manager and Investment Manager operate a conflicts of interest policy to ensure that their clients are treated fairly. The policy seeks to avoid circumstances which they consider may give rise to potential conflicts of interest and materially disadvantage their clients. It describes the controls and arrangements for preventing the Manager, the Investment Manager and their staff from:

39.1.1

favouring one client over another;

39.1.2

making a financial gain, or avoiding a financial loss, at the expense of the client;

39.1.3

favouring a member of staff over a client;

39.1.4

providing to (or receiving from) a person other than the client, an inducement in relation to a service provided to the client, in the form of a financial interest;

39.1.5

market abuse and disclosing confidential information;

39.1.6

giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;

39.1.7

favouring one of the Investment Manager's owners at the disadvantage of its clients;

39.1.8

not disclosing the Investment Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and

39.1.9

not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

39.2

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

40. Data Protection

40.1

The terms **process** (and its derivatives), **controllers**, **data subject and personal data** shall, where used in this section, have the meanings given to them in the Data Protection Legislation.

40.2

The Manager and Transfer Agent shall receive personal data on the employees of the Depositing Charity.

40.3

The Manager and each Depositing Charity will each be a data controller in respect of the personal data it processes under these terms.

40.4

Each party will comply with its obligations under the Data Protection Legislation at all times in relation to the relevant personal data.

40.5

The Depositing Charities acknowledge that the Manager may transfer personal data on to third parties, including third parties outside of the United Kingdom or EEA, subject to implementing appropriate safeguards in accordance with Data Protection Legislation.

40.6

Each Depositing Charity confirms and undertakes, to the extent applicable that:

40.6.1

it has obtained all consents, licences and authorisations necessary for the transfer, sharing, accessing and processing of data to, with and by the Manager contemplated under these terms and conditions; and

40.6.2

it has complied with and will comply with all relevant Data Protection Legislation in respect of its entry into and performance of this agreement.

41. Report and Accounts of the Fund

41.1

The Report and Accounts of the Fund are normally prepared for the half-year to 30 June (unaudited) and the year to 31 December (audited).

41.2

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and half-yearly Report and Accounts for the

period to 30 June (the interim accounting date) within six months of the end of the relevant period.

41.3

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management. The Report and Accounts will also include disclosures required by the AIFMD Legislation.

41.4

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

42. Taxation

42.1

The Fund has charitable status and is recognised as a Charity for UK tax purposes. As a Charity, the Fund should not be subject to UK tax on income from investments (provided such income is applied to Charitable Purposes). To the extent that the Fund invests overseas, it may not be possible for the Manager to recover withholding tax suffered. As a Charity, the Fund is exempt from UK Stamp Duty.

42.2

Distributions of income are made gross (i.e. without deduction of tax). Depositing Charities should not be liable to UK tax in respect of such distributions provided such income is applied to Charitable Purposes.

42.3

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

42.4

This is the Manager's understanding of the tax position as of the date of these Scheme Particulars. The tax position may change in the future. Depositing Charities should obtain their own tax advice in respect of their own position. Depositing Charities will be notified in writing with regards to any material changes in the tax position of the Fund.

43. Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

44. Fair Treatment of Depositing Charities

44.1

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Depositing Charities. Such arrangements include, but are not limited to, ensuring that no one or more Depositing Charities are given preferential treatment over any rights and obligations in relation to their deposits in the Fund that would result in a disadvantage to any other Depositing Charity. All rights and obligations to Depositing Charities are set out in the Scheme and these Scheme Particulars.

44.2

The Manager has established fair and transparent calculation of yield models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Depositing Charities.

44.3

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Depositing Charities. The Manager has established a process for recognising and dealing with complaints fairly.

45. Amending these Scheme Particulars

45.1

These Scheme Particulars may be updated or amended by the Manager from time to time, subject where applicable to the approval of the Board or the Charity Commission where necessary as set out in the Scheme and these Scheme Particulars, and in relation to any changes to the investment objective and investment policy only in accordance with the provisions dealing with such changes as set out above in these Scheme Particulars.

45.2

The approval of the Board is necessary where the Manager seeks to amend the investment objective or investment policy.

45.3

The approval of the Charity Commission is required in the following circumstances:

45.3.1

if it is proposed that the fees of the Manager or the Trustee be increased; or

45.3.2

if any amendment is proposed that modifies or relaxes any duty to account to the Fund which may

result from a conflict of interest or duty on the part of the Trustee, Manager or other person.

45.4

The Manager will endeavour to give Depositing Charities 30 days' notice of changes to the Scheme Particulars save in respect of any proposed increase in the fees of the Manager and/ or Trustee when a minimum of 90 days' prior notice is required to be given under the Scheme. For changes other than changes to the fees of the Manager and/or Trustee, in some circumstances it may not be possible to give 30 days' notice when changes are required for regulatory or other reasons.

46. Winding Up

46.1

If, upon consideration of the Board's representations (if any), the Trustee remains of the opinion that a winding up of the Fund is expedient in the interests of the Depositing Charities, the Trustee may execute a written declaration that the Fund is to be wound up, and if it does so, the Trustee shall send copies of the declaration to the Charity Commission, the Manager and the Board and publish it as the Charity Commission may direct.

46.2

Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Depositing Charities will be deemed to have submitted a withdrawal form to realise their deposit.

46.3

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Depositing Charities pro rata to their deposits.

46.4

Any withdrawal forms already received by the Transfer Agent to withdraw deposits in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed withdrawals that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to withdraw have been processed the Scheme Property will be distributed to the remaining Depositing Charities on a pro-rata basis according to the deposit amounts held by them in the Fund.

47. Acceptance of Terms and Conditions

By completing the Application Form the applicant acknowledges and accepts the terms and conditions

set out in these Scheme Particulars and the Scheme and agrees to be bound by them.

48. Applicable Law and Jurisdiction

48.1

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules the latter shall prevail.

48.2

These Scheme Particulars summarise the terms on which the Fund operates. For further information as to the terms on which deposits may be placed, reference should be made to the Scheme which is available upon request from the Manager.

48.3

By applying to deposit sums in the Fund, a Depositing Charity acknowledges that it will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Depositing Charity's investment in the Fund or any related material.

49. Additional Information

49.1

A Depositing Charity is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

49.2

The Manager will make available copies of the Scheme Particulars, Key Information Document, factsheet and annual and half-yearly Report and Accounts on its website www.ccla.co.uk. Alternative formats of these documents are available upon request from clientservices@ccla.co.uk.

49.3

The Manager and Investment Manager's order execution policy can be found at www.ccla.co.uk.

49.4

If a hard copy or an email copy of any of these documents or the Scheme is required, please contact Client Services on 0800 022 3505.

Appendix A

Investment Powers and Restrictions

The investment objective and investment policy of the Fund is subject to limits on investment under the Scheme and the MMFR, relevant parts of which are summarised below.

1. Eligible Assets

1.1

The Fund may only invest in the following categories of assets:

1.1.1

Money Market Instruments including financial instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the United Kingdom or Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or a central bank of a country other than the United Kingdom or a Member State, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which the United Kingdom or one or more Member States belong; and

1.1.2

deposits with credit institutions provided that all of the following conditions are fulfilled:

1.1.2.1

the deposit is repayable on demand or is able to be withdrawn at any time;

1.1.2.2

the deposit matures in no more than 12 months; and

1.1.2.3

the credit institution has its registered office in the United Kingdom or a Member State or, where the credit institution has its registered office in a country other than the United Kingdom or a Member State, it is subject to prudential rules considered equivalent to those laid down in EU law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013 as it applies in the United Kingdom from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 December 2020.

1.2

The Fund is not permitted to undertake the following activities:

1.2.1

invest in assets other than those referred to in paragraph 1.1 above;

1.2.2

short sell any of the following instruments: Money Market Instruments, securitisations, ABCPs and units or shares of other money market funds;

1.2.3

take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

1.2.4

enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Fund; and/or

1.2.5

borrow and lend cash.

2. Eligible Money Market Instruments

A Money Market Instrument will be eligible for investment by the Fund provided that it fulfils all of the following requirements:

2.1

it falls within one of the following categories of Money Market Instruments:

2.1.1

Money Market Instruments admitted to or dealt in on a regulated market;

2.1.2

Money Market Instruments dealt in on another regulated market in the United Kingdom or an EEA State, which operates regularly and is recognised and open to the public;

2.1.3

Money Market Instruments admitted to official listing on a stock exchange in a country other than the United Kingdom or a Member State or dealt in on another regulated market in a country other than the United Kingdom or a Member State which operates regularly and is recognised and open to the public provided that the choice of stock exchange or

market has been approved by the competent authorities or is provided for in these Scheme Particulars or in the Scheme;

2.1.4

Money Market Instruments other than those dealt in on a regulated market, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, provided that they are:

2.1.4.1

issued or guaranteed by a central, regional or local authority or central bank of the United Kingdom or an EEA State, the European Central Bank, the European Union or the European Investment Bank, a country other than the United Kingdom or an EEA State or, in the case of a federal state, one of the members making up the federation, or a public international body to which the United Kingdom or one or more EEA States belong;

2.1.4.2

issued by an undertaking any securities of which are dealt in on regulated markets referred to in 2.1.2, 2.1.3 or 2.1.4 above;

2.1.4.3

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

2.1.4.4

issued by other bodies belonging to the categories approved by the FCA provided that investments in such instruments are subject to investor protection equivalent to that laid down in 2.1.4.1, 2.1.4.2 or 2.1.4.3 immediately above and provided that the issuer is a company whose capital and reserves amount to at least €10,000,000 and which presents and publishes its annual accounts, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2.2

it displays one of the following alternative characteristics:

2.2.1

it has a legal maturity at issuance of 397 days or less;

2.2.2

it has a residual maturity of 397 days or less; and

2.3

the issuer of the Money Market Instrument and the quality of the Money Market Instrument have been favourably assessed by the Manager in accordance with the MMFR; provided that this will not apply to Money Market Instruments issued or guaranteed by the EU, a central authority or a central bank of the United Kingdom or a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

3. Diversification

3.1

The Fund may not invest more than:

3.1.1

5% of its assets in Money Market Instruments issued by the same body;

3.1.2

10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the United Kingdom is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the Fund to make deposits in a Member State, in which case up to 15% of its assets may be deposited with the same credit institution.

3.2

Notwithstanding the limits set out in paragraph 3.1 above, where to do so would result in an investment of more than 15% of its Scheme Property in a single body, the Fund may not combine any of the following:

3.2.1

investments in Money Market Instruments issued by that body; and

3.2.2

deposits made with that body.

3.3

Notwithstanding paragraph 3.1.1, the Fund may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in the United Kingdom or a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

3.4

Where the Fund invests more than 5% of its assets in the bonds issued by a single issuer, the total value of those investments may not exceed 40% of the value of its assets.

3.5

Notwithstanding paragraph 3.1.1, the Fund may invest no more than 20% of its assets in bonds issued by a single credit institution. Where the Fund invests more than 5% of its assets in the bonds issued by a single issuer, the total value of those investments must not exceed 60% of the value of its assets, including any possible investment in assets referred to in paragraph 3.3.

3.6

Companies which are included in the same group for the purposes of consolidated accounts in accordance with Section 399 of Companies Act 2006, Directive 2013/34/EU of the European Parliament and of the Council, as it applies in the United Kingdom from time to time, or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 3.1 and 3.2 above.

4. Government and Public Securities

4.1

By way of derogation from paragraph 3.1.1 above, the Fund may invest, in accordance with the principle of risk-spreading, up to 100% of its assets in different Money Market Instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the United Kingdom or Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or a central bank of a country other than the United Kingdom or a Member State, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which the United Kingdom or one or more Member States belong. For the Fund, such securities are restricted to government and public securities issued by or on behalf of or guaranteed by the government of the United Kingdom.

4.2

Paragraph 4.1 above shall only apply where all of the following requirements are met:

4.2.1

the Fund holds Money Market Instruments from at least six different issues by the issuer;

4.2.2

the Fund limits the investment in Money Market Instruments from the same issue to a maximum of 30% of its assets;

4.2.3

the Fund makes express reference, in its Scheme Particulars or Scheme, to all administrations, institutions or organisations referred to in the paragraph 4.1 that issue or guarantee separately or jointly Money Market Instruments in which it intends to invest more than 5% of its assets; and

4.2.4

the Fund includes a prominent statement in its Scheme Particulars and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisation referred to in paragraph 4.1 that issue or guarantee separately or jointly Money Market Instruments in which it intends to invest more than 5% of its assets.

5. Concentration

5.1

The Fund may not hold more than 10% of the Money Market Instruments issued by a single body.

5.2

The limit set out in paragraph 5.1 above shall not apply in respect of holdings of Money Market Instruments issued or guaranteed by the European Union, national, regional and local administrations of the United Kingdom or Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or a central bank of a country other than the United Kingdom or Member State, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which the United Kingdom or one or more Member States belong.

6. Portfolio rules for the Fund

6.1

The Fund must comply on an ongoing basis with the following:

6.1.1

its portfolio is to have a weighted average maturity (“**WAM**”) of no more than 60 days;

6.1.2

its portfolio is to have a weighted average life (“**WAL**”) of no more than 120 days;

6.1.3

at least 10% of its Scheme Property must be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.

The Fund may not acquire any asset other than a daily maturing asset if its acquisition would result in the Fund investing less than 10% of its Scheme Property in daily maturing assets;

6.1.4

at least 30% of its assets must be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. The Fund is not to acquire any asset other than a weekly maturing asset if its acquisition would result in the Fund investing less than 30% of its Scheme Property in weekly maturing assets.

6.2

For the purpose of the calculation referred to in paragraph 6.1.4 above, assets referred to in paragraph 4.1 which are highly liquid and can be withdrawn and settled within one working day and have a residual maturity of up to 190 days may also be included within the weekly maturing assets of the Fund, up to a limit of 17.5 % of its assets.

6.3

For the purposes of paragraph 6.1.2 above, when calculating the WAL for securities, including structured financial instruments, the Fund shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, the Fund may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

6.3.1

the put option is able to be freely exercised by the Fund at its exercise date;

6.3.2

the strike price of the put option remains close to the expected value of the instrument at the exercise date; and

6.3.3

the investment strategy of the Fund implies that there is a high probability that the option will be exercised at the exercise date.

Appendix B

Valuation

1. Valuation of the Fund

1.1

The Scheme Property shall be valued on at least a daily basis.

1.2

The Scheme Property shall be valued by using mark-to-market whenever possible, as described in the MMFR.

1.3

When using mark-to-market:

1.3.1

the asset of the Fund shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market;

1.3.2

only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors:

1.3.2.1

the number and quality of the counterparties;

1.3.2.2

the volume and turnover in the market of the asset of the Fund;

1.3.2.3

the issue size and the portion of the issue that the Fund plans to buy or sell.

1.4

Where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of the Fund shall be valued conservatively by using mark-to-model.

The model shall accurately estimate the intrinsic value of the asset of the Fund, based on all of the following up-to-date key factors:

1.4.1

the volume and turnover in the market of that asset;

1.4.2

the issue size and the portion of the issue that the Fund plans to buy or sell;

1.4.3

market risk, interest rate risk, credit risk attached to the asset.

When using mark-to-model, the amortised cost method shall not be used.

1.5

By way of derogation from paragraphs 1.2 and 1.4, in addition to the mark-to-market referred to in paragraphs 1.2 and 1.3 and the mark-to-model referred to in paragraph 1.4, the Scheme Property that have a residual maturity of up to 75 days may be valued by using the amortised cost method.

The amortised cost method shall only be used for valuing an asset of the Fund in circumstances where the price of that asset calculated using mark-to-market or mark-to-model (in accordance with paragraphs 1.2, 1.3 and 1.4 above) does not deviate from the price of that asset calculated in accordance with the amortised cost method by more than 10 basis points. In the event of such a deviation, the price of that asset shall be calculated in accordance with paragraphs 1.2, 1.3 and 1.4.

1.6

A valuation carried out in accordance with paragraphs 1.2 to 1.5 above shall be communicated to the FCA.

2. Calculation of NAV per 'unit'

2.1

For administration purposes, the Fund shall calculate a NAV per 'unit' as the difference between the sum of all the Scheme Property and the sum of all liabilities of the Fund valued in accordance with mark-to-market or mark-to-model, or both, divided by the number of outstanding 'units' of the Fund.

2.2

The NAV per 'unit' shall be rounded up or down to the nearest basis point or its equivalent when the NAV is published in a currency unit.

2.3

The NAV per 'unit' of the Fund shall be calculated and published at least daily on the public section of the website of the Manager.

3. Calculation of the constant NAV per 'unit' of the Fund

3.1

For administrative purposes the Fund shall calculate a constant NAV per 'unit' as the difference between the sum of all of its assets valued in accordance with the amortised cost method as specified in paragraph 1.5 of this Appendix and the sum of all its liabilities, divided by the number of its outstanding 'units'.

3.2

The constant NAV per 'unit' of the Fund shall be rounded to the nearest percentage point or its equivalent when the constant NAV is published in a currency unit.

3.3

The constant NAV per 'unit' of the Fund shall be calculated at least daily.

3.4

The difference between the constant NAV per 'unit' and the NAV per 'unit' calculated in accordance with paragraph 2 above shall be monitored and published daily on the public section of the website of the Fund. Where the Daily Yield applied to deposited sums is positive, the price per 'unit' shall be quoted to two decimal places. In a negative yield environment, where the Daily Yield applied to deposited sums is negative, the price per 'unit' shall be quoted to four decimal places.

4. Deposit and withdrawal price

4.1

The 'units' of the Fund shall be subscribed and withdrawn at a price that is equal to the Fund's constant NAV per 'unit' but only where the actual NAV per unit does not deviate from the constant NAV per 'unit' by more than 0.20%.

4.2

In relation to paragraph 4.1 above, where the actual NAV per 'unit' deviates from the constant NAV per 'unit' by more than 0.20%, the following deposit or withdrawal shall be undertaken at a price that is equal to the actual NAV per 'unit'.

4.3

Where the Daily Yield applied to deposited sums is positive, the price per 'unit' should be stable and income should be payable in respect of such 'unit'. In a negative yield environment, where the Daily Yield applied to deposited sums is negative, no income will be payable in respect of such 'unit', the price per 'unit' will fluctuate and the value of deposited sums will be eroded.

Appendix C

Liquidity Management and Stress Testing

1. Stress testing

1.1

The Fund has in place sound stress testing processes that identify possible events or future changes in economic conditions which could have unfavourable effects on the Fund. The Fund or the Manager shall assess the possible impact that those events or changes could have on the Fund. The Fund or the Manager shall regularly conduct stress testing for different possible scenarios.

1.2

The stress tests shall be based on objective criteria and consider the effects of severe plausible scenarios. The stress test scenarios shall at least take into consideration reference parameters that include the following factors:

1.2.1

hypothetical changes in the level of liquidity of the assets held in the portfolio of the Fund;

1.2.2

hypothetical changes in the level of credit risk of the assets held in the portfolio of the Fund, including credit events and rating events;

1.2.3

hypothetical movements of the interest rates and exchange rates;

1.2.4

hypothetical levels of redemption;

1.2.5

hypothetical widening or narrowing of spreads among indices to which interest rates of portfolio securities are tied; and

1.2.6

hypothetical macro systemic shocks affecting the economy as a whole.

1.3

The stress tests shall estimate for different scenarios the difference between the constant NAV per 'unit' and the NAV per 'unit'.

1.4

Stress tests shall be conducted at a frequency determined by the board of directors of the Fund, where applicable, or the board of directors of the Manager, after considering what an appropriate and reasonable interval in light of the market conditions is and after considering any envisaged changes in

the portfolio of the Fund. Such frequency shall be at least bi-annual.

1.5

Where the stress test reveals any vulnerability of the Fund, the Manager shall draw up an extensive report with the results of the stress testing and a proposed action plan.

1.6

Where necessary, the Manager shall take action to strengthen the robustness of the Fund, including actions that reinforce the liquidity or the quality of the Scheme Property and shall immediately inform the competent authority of the Fund of the measures taken.

2. Liquidity management

2.1

The Manager applies a prudent and rigorous liquidity management procedure for ensuring compliance with the weekly liquidity thresholds applicable to the Fund under the MMFR.

2.2

In ensuring compliance with the weekly liquidity thresholds, the following shall apply:

2.2.1

whenever the proportion of weekly maturing assets as set out in paragraph 6.1.4 of Appendix A falls below 30 % of the total Scheme Property and the net daily redemptions on a single working day exceed 10 % of total assets, the Manager shall immediately inform its board thereof and the board shall undertake a documented assessment of the situation to determine the appropriate course of action having regard to the interests of the Depositing Charities and shall decide whether to apply one or more of the following measures:

2.2.1.1

liquidity fees on redemptions that adequately reflect the cost to the Fund of achieving liquidity and ensure that investors who remain in the Fund are not unfairly disadvantaged when other Depositing Charities withdraw their 'units' during the period;

2.2.1.2

withdrawal gates that limit the amount of 'units' to be withdrawn on any one working day to a maximum of 10 % of the 'units' in the Fund for any period up to 15 working days;

2.2.1.3

suspension of redemptions for any period up to 15 working days; or

2.2.1.4

take no immediate action other than fulfilling the obligation laid down in Article 24(2);

2.2.2

whenever the proportion of weekly maturing assets as set out in paragraph 6.1.4 of Appendix A falls below 10 % of its total assets, the Manager shall immediately inform its board thereof and the board shall undertake a documented assessment of the situation and, on the basis of such assessment and having regard to the interests of the Depositing Charities, shall apply one or more of the following measures and document the reasons for its choice:

2.2.2.1

liquidity fees on redemptions that adequately reflect the cost to the Fund of achieving liquidity and ensure that investors who remain in the Fund are not unfairly disadvantaged when other Depositing Charities withdraw their 'units' during the period;

2.2.2.2

a suspension of withdrawals for a period of up to 15 working days.

2.3

When, within a period of 90 days, the total duration of the suspensions exceeds 15 days, the Fund shall automatically cease to be a LVNAV MMF. The Fund shall immediately inform each investor thereof in writing in a clear and comprehensible way that the Fund has ceased to be an LVNAV MMF and shall provide further information on the Manager's proposed course of action, which may result in operating the Fund as a VNAV MMF or winding up the Fund.

2.4

After the board of the Fund has determined its course of action with regard to both points 2.2.1 and 2.2.2, it shall promptly provide details of its decision to the FCA.

1. Trustee and Depositary

The Trustee and depositary of the Fund is HSBC Bank plc which is a public limited company, incorporated in England and Wales. It is a 100% subsidiary of HSBC Holdings plc, incorporated in England with limited liability. Its principal business is banking. The Head Office, which is also the registered office, is at 8 Canada Square, London E14 5HQ.

2. Manager

2.1

The Manager of the Fund is CCLA Fund Managers Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. The Manager is authorised by the FCA as a full scope UK AIFM and is entered on the FCA's register under reference number 611707.

2.2

The main business activity of the Manager is the management of unregulated and regulated collective investment schemes in the form of UK AIFs.

2.3

CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited. Registered office at One Angel Lane, London EC4R 3AB.

Incorporated on 16 October 2013.

2.4

Directors of CCLA Fund Managers Limited are:

J. Bailie (Chairman)*
D. Sloper
E. Sheldon
J. Berens
N. McLeod-Clarke*
(* indicates a Non-Executive Director)

2.5

The Manager also manages the COIF Charities Ethical Investment Fund, the COIF Charities Short Duration Bond Fund, the COIF Charities Global Equity Fund, the COIF Charities Investment Fund and the COIF Charities Property Fund.

2.6

CCLA Fund Managers Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

3. The Board of the Fund

The members of the Board are:

K. Corrigan
J. Hobart
N. Morecroft (Chairman)
A. Watson
C. Ong

4. Investment Manager

The Investment Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at One Angel Lane, London EC4R 3AB.

5. Administrator

The Administrator of the Fund is HSBC Bank plc, 8 Canada Square, London E14 5HQ.

6. Registrar

The Registrar of the Fund is CCLA Fund Managers Limited. The Register may be inspected at the registered office of CCLA Fund Managers Limited during normal business hours by a Depositing Charity or any Depositing Charity's duly authorised nominee/agent.

7. Transfer Agent

The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

8. Auditor

The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

9. Address for Complaints

9.1

Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, One Angel Lane, London EC4R 3AB or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

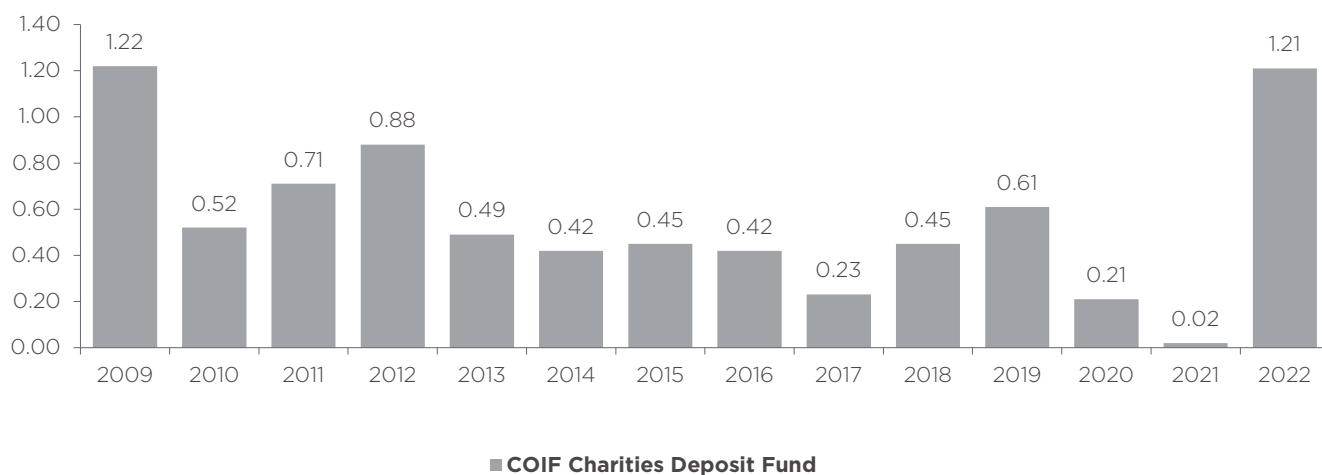
9.2

Depositing Charities who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR (telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

Appendix E

Past Performance

The performance below is shown net of all Fund charges and expenses. It has been calculated in the Base Currency of the Fund.



The Fund launched in March 1985. Past performance is not a reliable indicator of future results.

CCLA Fund Managers Limited

One Angel Lane
London
EC4R 3AB

Freephone 0800 022 3505
clientservices@ccla.co.uk

www.ccla.co.uk

CCLA Fund Managers Limited (registered in England & Wales No. 8735639) is authorised and regulated by the Financial Conduct Authority.

CCLA

BECAUSE GOOD IS BETTER

COIF Charities Global Equity Fund

Scheme Particulars

Scheme Particulars

COIF Charities Global Equity Fund

Effective from 20 November 2023

Issued by CCLA Fund Managers Limited (the “**Manager**”)

A copy of this document, which constitutes Scheme Particulars for the COIF Charities Global Equity Fund (the “**Fund**”), established and regulated by a Scheme dated 30 October 2007 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 5 December 2015, 21 August 2017 and 20 November 2023 (the “**Scheme**”), and adopted by the Manager on 22 July 2014 has been filed with the Charity Commission. The Fund is registered with the Charity Commission under Charity Registration Number 1121433.

Should the provisions of the Scheme and the Scheme Particulars be in conflict, the provisions of the Scheme shall prevail.

Any person relying on the information contained in this document, which was current at the date shown above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in these Scheme Particulars are true, clear and not misleading, Unitholders and/or potential Unitholders should not treat these Scheme Particulars as advice relating to their own legal, tax or investment position. If a Unitholder or potential Unitholder is in any doubt as to the meaning of any information contained in these Scheme Particulars, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1 Definitions

Accumulation Units means those Units where distributions are reinvested and reflected in the Unit price.

Administrator means HSBC Bank plc, or such successor entity appointed as administrator by the Manager from time to time.

AIFMD Legislation refers to the Alternative Investment Fund Managers Regulations 2013, the Alternative Investment Fund Managers Directive 2011/61/EU and the Commission Delegated Regulation (EU) 231/2013 as applied in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11:00pm on 31 January 2020.

Annual Management Charge means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.

Applicant means a Charity (or nominee company acting on its behalf) which is applying for an account.

Application Form means the application form to open an account available from the Manager's website.

Auditor means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.

Base Currency means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.

Board means the persons appointed pursuant to the Scheme and as further described in these Scheme Particulars.

Business Day means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.

Charitable Purposes bears the meaning as set out in section 2 of the Charities Act 2011.

Charity means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an "appropriate body" in Scotland and Northern Ireland within the meaning of section 97(3) of the Charities Act 2011.

Charity Commission means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.

Collective Investment Scheme means a collective investment scheme as defined by section 235(1) of the Financial Services and Markets Act 2000.

Common Deposit Fund means a common deposit fund established under section 100 of the Charities Act 2011.

Common Investment Fund means a common investment fund established under section 96 of the Charities Act 2011.

Conversion means the exchange of Income Units for Accumulation Units or vice versa and the act of so exchanging and "**Convert**" shall be construed accordingly.

Data Protection Legislation means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislations thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.

Dealing Day means each Business Day.

Dealing Deadline means 11:59am London time on a Dealing Day, or as otherwise determined by the Manager.

Depository Services Agreement means the agreement dated 21 July 2014 entered into by the Trustee, the Board and the Manager in relation to the depository services the Trustee provides to the Fund (as amended, supplemented or replaced from time to time).

Distribution Account means an account as provided for in the Scheme for the purpose of holding income to be distributed to Unitholders.

Eligible Contributor means a Charity (or nominee company acting on its behalf) which is and continues to be eligible to hold Units.

Equalisation means an adjustment to the price of the Units to reflect the fact that investors buying Units part way through the Fund's accounting period are not entitled to all the income earned in respect of those Units over that period.

FCA means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.

FCA Regulations means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.

Forward Foreign Exchange Contract means a binding contract in the foreign exchange market that locks in the exchange rate for the purchase or sale of a currency on a future date.

Fund means the COIF Charities Global Equity Fund.

Group has the same meaning as listed in the glossary to the FCA Regulations.

Income Reserve Account means an account in respect of the Fund for the purpose of evening out the amount of income distributed.

Income Units means those Units which pay distributions to Unitholders.

Investment Committee means the body responsible for the oversight of the Investment Manager's investment processes and activities.

Investment Management Agreement means the agreement dated 22 July 2014 between the Manager and the Investment Manager delegating the portfolio management of the Scheme Property to the Investment Manager (as amended, supplemented or replaced from time to time).

Investment Manager means CCLA Investment Management Limited.

Investment Policy means the investment policy as decided in the Investment Policy Statement from time to time.

Investment Policy Statement means the investment policy statement set out in these Scheme Particulars as amended from time to time.

Key Information Document means the document published for the Fund which contains information to help investors understand the nature and the risks of investing in the Fund. A key information document must be provided to investors prior to subscribing for Units so they can make an informed decision about whether to proceed.

Manager means CCLA Fund Managers Limited or such successor body corporate appointed as manager pursuant to the Scheme.

Money Laundering Regulations means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.

Net Asset Value or **NAV** means the value of the Scheme Property of the Fund less all the liabilities of the Fund determined in accordance with the Scheme.

Register means the register of Unitholders maintained by the Registrar on behalf of the Trustee.

Registrar means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.

Report and Accounts means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to the periods ending 31 December and 30 June respectively.

Scheme means the Scheme sealed by the Charity Commission on 30 October 2007 as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 5 December 2015, 21 August 2017 and 20 November 2023.

Scheme Particulars means these rules and particulars of the Fund made under the Scheme, as amended or replaced from time to time.

Scheme Property means the investments, assets and property of the Fund.

Switch means the exchange of Units for units in another COIF Charities Fund and the act of so exchanging and "**Switching**" shall be construed accordingly.

Transfer Agent means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.

Trustee means HSBC Bank plc, or any successor body corporate appointed as trustee pursuant to the Scheme.

UK AIF refers to an alternative investment fund in the United Kingdom and has the same meaning as listed in the glossary to the FCA Regulations.

UK AIFM refers to the alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Regulations.

Unitholder means an Eligible Contributor who is registered as a holder of Units.

Unit or Units means units in the Fund which may be Income Units or Accumulation Units.

Valuation Point means the valuation point as at 12:00 noon London time on each Dealing Day for the purpose of determining the price at which Units may be issued, cancelled or redeemed.

References to any statutory provision or FCA Regulations in these Scheme Particulars shall include any statutory provision or FCA Regulations which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1 Common Investment Fund

The Fund is a Common Investment Fund established and regulated by the Scheme dated 30 October 2007 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 5 December 2015, 21 August 2017 and 20 November 2023 (as amended from time to time). The Fund is managed by the Manager as an unregulated Collective Investment Scheme and as a UK AIF in accordance with the FCA Regulations and the AIFMD Legislation.

2.2 The Board

The Fund is subject to oversight by the Board, which has been assigned certain duties, details of which are set out in the Scheme. It meets regularly to receive reports and monitor the progress of the Fund.

The duties of the Board include (but are not limited to):

- making an annual report regarding the discharge of its responsibilities;
- a duty to inform the Charity Commission promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the Scheme or these Scheme Particulars; and
- a duty to inform the FCA promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the applicable provisions of the AIFMD Legislation.

The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. A non-executive director of the Investment Manager (or an associate) is entitled to be a member of the Board. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member offers investment advice or conducts investment business in relation to the Fund.

In safeguarding the interests of Unitholders, the Board has a number of responsibilities which include setting and subsequently advising on the investment objective and Investment Policy of the Fund, monitoring performance, the appointment and discharge of the Manager and the Trustee, appointing the Auditor to the Fund, and agreeing the fees charged by the Trustee, the Manager and the Auditor. Prior to the Trustee making any written declaration that the Fund is to be wound up, the Trustee must serve on the Board a notice of the Trustee's intention to wind up the Fund and consider the Board's representations (if any).

To the extent of those duties and powers specified in the Scheme, the Board members are charity trustees within the meaning of the Charities Act 2011.

The Board members are entitled to be paid out of the Scheme Property any reasonable costs and expenses incurred by them in carrying out their duties as a member of the Board. Such reasonable costs and expenses may be drawn from the Fund. The Manager currently pays the reasonable costs and expenses of the Board members and intends to continue to do so for the foreseeable future.

2.3 The Trustee and Depositary

The Trustee acts as a trustee of the Fund for the purposes of and pursuant to the Scheme. Pursuant to the Depositary Services Agreement and for the purposes of and in compliance with the AIFMD Legislation and the relevant FCA Regulations, the Trustee has been appointed as depositary to the Fund.

The depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the AIFMD Legislation, the relevant FCA Regulations and the terms of the Scheme.

The depositary's duties include the following: -

- Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Units have been received.
- Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that can be physically delivered to the depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.
- Ensuring that issues, redemptions and cancellations of Units are carried out in accordance with applicable law and the Scheme.
- Ensuring that the value of Units is calculated in accordance with applicable law and the Scheme.
- Carrying out the instructions of the Manager, unless they conflict with applicable law or the Scheme.
- Ensuring that in transactions involving the Fund's assets, any consideration is remitted to the Fund within the usual time limits.

- Ensuring that the Fund's income is applied in accordance with applicable law and the Scheme.

The appointment of the depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days' written notice provided that the Depositary Services Agreement does not terminate until a replacement depositary has been appointed.

The depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement.

Unitholders have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

In general, the depositary is liable for losses suffered by the Fund as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the depositary will be liable to the Fund for the loss of financial instruments of the Fund which are held in its custody. The depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

The liability of the depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate any such discharge will be notified to the Unitholders and consent will be obtained from the Manager to such delegation and discharge. At the date of these Scheme Particulars, the depositary has not discharged its liability for the safekeeping of assets in its safekeeping.

The depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary shall not be liable for any indirect, special or consequential loss.

In the event there are any changes to the depositary's liability under the AIFMD Legislation and the relevant FCA Regulations, the Manager will inform Unitholders of such changes without delay.

2.4 The Manager

CCLA Fund Managers Limited is the appointed UK AIFM and Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 8735639, whose registered address and details are shown in Appendix 1.

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference

number 611707. The Manager has permission from the FCA to act as a full scope UK AIFM. The only business activity of the Manager is the management of UK AIFs as a UK AIFM. The ultimate holding company of the Manager is CCLA Investment Management Limited.

Subject to the FCA Regulations and the AIFMD Legislation the Manager may delegate (and authorise its delegate to sub-delegate) its duties as Manager.

The Manager has delegated the provision of certain services including investment management, administration and the preparation of various reports for Unitholders to the Investment Manager and Administrator as detailed below.

The Manager's appointment may be terminated by the Board acquiring approval by the Trustee and serving written notice on the Manager.

The Manager is entitled to its pro rata fees and expenses (as provided for in the Scheme and detailed in these Scheme Particulars) to the date of termination of its appointment as Manager of the Fund and any additional expenses necessarily incurred in settling or realising any outstanding obligations.

The Manager is responsible for all the investment management and administration services in relation to the Fund set out under paragraph 17 of the Scheme. These include:

- the day to day management of the Fund including the power to buy and sell investments and to operate bank accounts and to borrow;
- the preparation of any valuations or other calculations to be made under these Scheme Particulars;
- the receipt of contributions and the satisfaction of withdrawals;
- the decision as to whether any particular asset is to be accepted as a contribution;
- the keeping of such accounts as the Trustee or the Board may require; and
- any matters incidental to the above matters.

The Manager is also responsible for the risk management of the Fund.

The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

2.5 The Investment Manager

CCLA Investment Management Limited is the appointed Investment Manager of the Fund. The Investment Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose address and details are shown in Appendix 1.

The Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281.

The Investment Manager has been appointed by the Manager pursuant to the Investment Management Agreement to provide portfolio management and administrative services to the Fund under the Investment Management Agreement. The Investment Manager also provides secretarial services to the Board.

Under the terms of the Investment Management Agreement, the Investment Manager's appointment may be terminated on three months' written notice by the Investment Manager or by the Manager, or in certain limited circumstances immediately by the Manager. The Investment Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Investment Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Investment Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Investment Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

The Manager is responsible for any fees payable to the Investment Manager and meets the fees of the Investment Manager from the Annual Management Charge the Manager receives for its services to the Fund.

2.6 The Registrar

The Trustee has appointed CCLA Fund Managers Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for the appointment to be terminated by either party giving 90 calendar days' written notice to the other. Earlier termination can only occur in specific circumstances, including a material and irremediable breach by either party.

2.7 The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix 1.

2.8 The Administrator

HSBC Bank plc is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under an agreement with the Investment Manager and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The registered address of the Administrator is shown in Appendix 1.

2.9 The Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix 1.

2.10 Unitholders' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Investment Manager, the Transfer Agent, the Auditor and the Administrator, whose details are set out in these Scheme Particulars (the "**Service Providers**"). No Unitholder will have any direct contractual claim against any Service Provider with respect to such Service Provider's default. This is without prejudice to any right a Unitholder may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of the Financial Services and Markets Act 2000 (as a result of a breach of the FCA Regulations by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

3. Investment Objective and Policy of the Fund

3.1 Investment Objective

The Fund aims to provide income with long-term capital growth.

3.2 Investment Policy

The Fund is an actively managed, diversified portfolio of global equities. It will principally invest in UK and overseas equities but may also invest in other assets.

The Fund follows a client-driven ethical investment policy.

3.3 Ethical and Responsible Investment

The Fund employs ethical and responsible investment policies as determined by the Board and informed by consultation with Unitholders from time to time and which are reviewed by the Board at least annually. The Board does not believe that the policies will have a lasting or substantial adverse impact on the performance of the Fund.

The Fund is managed in accordance with CCLA's values-based screening policy.

The Fund has limited ethical exclusions and has therefore been determined as and promoted as a responsible fund.

Unitholder-driven ethical exclusions prohibit investment in companies identified by the Investment Manager's third-party data provider, through the data points selected by the Investment Manager, as:

- producing landmines, cluster bombs or chemical/biological weapons;
- producing tobacco products;
- deriving significant (>10%) revenues from online gambling or the production of pornography.

In addition, remaining companies who after persistent engagement, fail the Investment Manager's 'controversy process' on issues including:

- ILO Core Labour Standards;
- UN Guiding Principles on Business and Human Rights;
- Biodiversity and Toxic Waste;
- Climate Change Disclosure

are excluded from investment.

This policy also applies to bonds issued by these companies. The Fund also implements the Investment Manager's responsible investment policy and takes a positive approach to stewardship as defined in the UK Stewardship Code for institutional investors.

The Investment Manager's response to this code and its voting and engagement records are available on its website (<https://www.ccla.co.uk/about-us/policies-and-reports>). The Investment Manager is also a signatory to the United Nations backed Principles for Responsible Investment (PRI). The annual PRI assessment is available on the Investment Manager's website.

The Fund will take an active policy with regard to corporate actions and voting as required.

3.4 Comparator Benchmark

The comparator benchmark for the Fund is the MSCI™ World Index.

The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

3.5 Changes to the Investment Objective and Policy

The Board may only alter the Fund's investment objective and, subject to approval by the Board, the Manager may only alter the Investment Policy in accordance with these provisions.

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**fundamental change**" within the meaning in the FCA Regulations such an alteration may only be made following prior approval from the Unitholders by way of an extraordinary resolution (having the same meaning as when used in the FCA Regulations and following the same notice procedures for meetings of Unitholders as used in the FCA Regulations).

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**significant change**" within the meaning in the FCA Regulations such an alteration may only be made following the provision of 60 days' prior written notice to the Unitholders.

By way of guidance, the Board and/or the Manager (as appropriate) may consider the change to be significant rather than fundamental where:

- the proposed alterations do not alter the risk profile of the Fund;
- there is no change to the nature or purpose of the Fund; and
- the Unitholders are not materially prejudiced by the proposed change.

In certain limited circumstances the Board and/or the Manager (as appropriate) may decide that very minor changes to the Investment Policy and/or investment objective of the Fund (for example, those aimed at clarification of the investment objective and/or Investment Policy) would be considered a "**notifiable change**" within the meaning in the FCA Regulations. Such alterations may be made by providing Unitholders with access to an updated copy of these Scheme Particulars. All current scheme particulars for the COIF Charities Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

4. Participation in the Fund

4.1 Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

4.2 Eligible Contributors to the Fund

Any Charity in England and Wales and any appropriate body in Scotland and Northern Ireland within the meaning of the Charities Act 2011 may normally invest in the Fund, unless precluded by a specific provision in the Charity's governing instrument, provided always that such a Charity is recognised by HM Revenue & Customs as a Charity for tax purposes. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of Eligible Contributors (please see the section headed Anti-Money Laundering Requirements below).

Any Charity (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Charity to invest in the Fund. Where a Unitholder (potential or otherwise) is found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and disinvest. The Manager reserves the right to decline any application without giving any reason and to sell Units on behalf of a Unitholder if it reasonably believes that the Unitholder is no longer eligible to invest in the Fund.

4.3 Compulsory Sale of Units where a Unitholder Ceases to be an Eligible Contributor

Where a Unitholder:

- is found not to be eligible or becomes ineligible at a later date; or
- suffers a change in circumstances or is in breach of any applicable law or government rule or regulation which may affect its ability to be an Eligible Contributor,

it, or its nominee, must inform the Manager immediately and at the Manager's request must sell their Units.

As soon as the Manager becomes aware or has reasonable grounds to believe that a Unitholder no longer satisfies the requirements to be an Eligible Contributor, the Unitholder will be deemed to have submitted a sell Units form to sell all the Units held by them in the Fund. Where a Unitholder delays in informing the Manager that it has ceased to be, or may no longer be an Eligible Contributor, the Manager then has the right to treat the request to redeem Units as being made on the date on which the Unitholder's circumstances changed.

The Unitholder agrees that any proceeds of sale in relation to the Units sold as a result of the Unitholder ceasing to be an Eligible Contributor may be retained by the Manager in order to satisfy any losses suffered by the Fund as a result of the Unitholder ceasing to be an Eligible Contributor. Such losses may include, but shall not be limited to:

- any assessment for income or capital gains tax or any other tax to which the Fund would not have been assessed had the Unitholder remained as an Eligible Contributor;
- any distributions paid out to or settled in respect of the Unitholder's Units after the date on which the Unitholder ceased to be an Eligible Contributor; and
- all costs and expenses including professional fees incurred in connection with such assessment.

On the written request of the Manager any Unitholder who is required to sell their Units must:

- irrevocably appoint one or more of the directors of the Manager as its attorney to execute all instruments and other documentation required to effect a sale of its Units and the Unitholder agrees to ratify all and any acts of the attorney; and
- indemnify the Fund against all losses suffered by the Fund as a consequence of the Unitholder no longer remaining an Eligible Contributor.

If at the time a sell Units form is submitted (or is deemed to have been submitted) to the Transfer Agent, the Transfer Agent has received instructions to sell Units from one or more other Eligible Contributors, the sale of the Units held by a Unitholder who has ceased to be eligible to remain invested in the Fund will be sold in priority to all other sale requests in the queue.

In the event that dealings in the Fund are suspended any deemed or actual instructions for the compulsory sale of Units will not be frozen. In such circumstances the relevant Units will be cancelled and the Manager will make an appropriate provision for the sale proceeds due to the affected Unitholder.

Where an event occurs during a period of suspension that results in a Unitholder ceasing to be an Eligible Contributor, the Unitholder's rights to accrued income will be apportioned according to the date on which the event occurred that triggered the ineligibility.

The sale proceeds will be calculated at the Valuation Point for the next Dealing Day after the lifting of the suspension and will be paid to the Unitholder within four Business Days of the Dealing Day.

4.4 Income and Accumulation Units

Eligible Contributors to the Fund may purchase either Income or Accumulation Units or both. Income Units provide regular income distributions and each Unit represents one undivided share in the Scheme Property. Holders of Income Units receive income distributions quarterly.

Holders of Accumulation Units do not receive distributions. The distributions allocated to the Accumulation Units accumulate within the Fund and are reflected in the price of the Units. The effect of this accumulation of distributions is an increase in the price of an Accumulation Unit relative to the price of an Income Unit. An Accumulation Unit represents an increasing undivided share in the Scheme Property. The right represented by the holding of a Unit is that of a beneficial interest under a trust.

A Unitholder may, subject to the terms of its governing instrument, Convert Income Units into Accumulation Units of the corresponding value or vice versa on any Dealing Day free of charge.

4.5 Registration of Units

The Register is maintained on behalf of the Trustee by the Registrar. Holdings are usually registered in the name of Unitholders (or where applicable, holdings may be registered in the name of a nominee company acting on behalf of a Unitholder). Holdings cannot be registered in the names of the individual trustees. No certificates are issued and the Register is the definitive evidence of title. The Units have no par value and entitle the holder to a proportionate interest in the Fund. Units cannot be assigned or transferred except from one Charity to another. The number of Units held will be certified on written request for audit or other purposes.

The Register may be inspected by or on behalf of Unitholders during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the Units. The Register contains the name of each Unitholder, the number of Units held, the type of Units and the name and address of the correspondent for each account. In addition, the Register may contain the following particulars:

- details of the nominee company acting on behalf of a Unitholder;
- client designation;
- bank account details for the remittance of distributions and withdrawals; and
- authorised signatory(ies) and the number of signatures required.

No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any Unit, and the Manager and the Trustee shall not be bound by any such notice.

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid out of the Scheme Property to the Manager.

4.6 Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether named within the Application Form or associated with the Eligible Contributor (or who are subsequently appointed to act for the Eligible Contributor) to satisfy itself as to the identity of the Eligible Contributor and those acting on its behalf. Proof of identity may sometimes be required either when buying or selling Units from time to time, even of existing Unitholders. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process sale requests or release sale proceeds.

4.7 Fair Treatment of Unitholders

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Unitholders. Such arrangements include, but are not limited to, ensuring that no one or more Unitholders are given preferential treatment over any rights and obligations in relation to their investment in the Fund that would result in a disadvantage to any other Unitholder. All rights and obligations to Unitholders, including those related to subscription and redemption requests, are set out in the Scheme and these Scheme Particulars.

The Manager has established fair and transparent pricing models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Unitholders.

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Unitholders. The Manager has established a process for recognising and dealing with complaints fairly.

4.8 Meetings of Unitholders

Any meeting of Unitholders shall be held in accordance with the FCA Regulations, and all the

provisions of the FCA Regulations shall apply to such meetings. A meeting of Unitholders duly convened and held by the Trustee may vote on a resolution:

- to approve a proposed scheme of amalgamation put forward by the Manager and the Trustee (or either of them); or
- to approve a proposed scheme of reconstruction put forward by the Manager and the Trustee (or either of them); or
- to approve fundamental changes of investment objective and Investment Policy.

A meeting of Unitholders has no other powers.

4.9 Changes to Authorised Signatories and Correspondents

A Unitholder must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Charity's holding of Units must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Charity (or the nominee company acting on behalf of the Charity) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Charity. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

4.10 Short-term or Excessive Trading and Market Timing

The Fund is designed and managed to support longer-term investment and frequent trading is discouraged. Short-term or excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or Switching of, Units, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. For these purposes, the Manager may consider an investor's trading history in the Fund or other funds managed or operated by the Manager or an associate and accounts under common ownership or control.

5. Risks

Investors should consider the following risk factors before investing in the Fund.

5.1 General Investment Risks

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other market assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. The Fund may also invest in a range of non-traditional or alternative asset classes. The valuation of these assets can vary materially from those of stock and bond markets. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a reliable indicator of future results.

5.2 Risk Associated with Investment in Other Collective Investment Schemes

The Fund may invest in one or more Collective Investment Schemes including schemes that are managed by the Manager or affiliated companies. In some cases, these Collective Investment Schemes may be unregulated. The Fund may invest in Collective Investment Schemes and other assets which may, on occasions, be illiquid. As the Fund may invest in other funds, Unitholders may incur a duplication of fees and commissions (such as management fees (including performance fees), custody and transaction fees, other administration fees and audit fees). To the extent these Collective Investment Schemes are permitted to invest in turn in other funds, Unitholders may incur additional fees to those mentioned below.

5.3 Political Risk

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

5.4 Currency Risk

Currency exchange rate fluctuations may impact the value of the Fund which holds currencies or assets denominated in currencies that differ from the Base Currency of the Fund. The Fund may use currency hedging techniques within the limits set by the Board, which may mitigate this risk, however there is no guarantee that this will be either wholly or partially effective.

5.5 Counterparty Risk

Whilst the Investment Manager will place transactions, hold positions and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

5.6 Credit Risk

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default.

5.7 Settlement Risk

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

5.8 Interest Rate Risk

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

In a negative interest rate environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value.

5.9 Concentration Risk

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

5.10 Emerging Market Risk

Securities markets in emerging market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in a lack of liquidity. Accordingly, where the Fund invests substantially in securities listed or traded in such markets, its Net Asset Value may be more volatile than a fund that invests in the securities of companies in developed countries. Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Fund. Many emerging markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess. Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region. Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk. These factors may lead to temporary suspension of dealing in the Fund.

5.11 Operational Risk

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

5.12 Cyber Event Risk

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service

Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, “**cyber-events**”). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through “hacking” activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Unitholders. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Unitholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund’s investments to lose value.

5.13 Smaller Capitalisation Companies Risk

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies. The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company securities trade less frequently and in smaller volume. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the price of the Units of the Fund.

5.14 Suspension Risk

In certain circumstances, where the Manager determines that redemption requests may not be met the rights for Unitholders to redeem Units may be suspended, as further set out in these Scheme Particulars. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to,

and that this may have an impact on the price they receive on redemption and may consequently impact the Unitholder’s own liquidity.

5.15 Inflation Risk

The real value of returns achieved from investment in the Fund will be affected by the rate of inflation experienced over the holding period.

5.16 Other Risks including Terrorism and Pandemic Risk

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Fund and materially and adversely affect its operation.

5.17 Derivatives Risk

To the extent the Fund uses derivatives for hedging purposes it may have derivative risk, furthermore the Fund may invest in other Collective Investment Schemes that also use derivatives for hedging as well as investment purposes.

Derivatives can be volatile and involve various degrees of risk. In particular, because many derivative instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a portfolio to the possibility of a loss exceeding the original amount invested and in turn this may affect the value of the Fund’s investment in a Collective Investment Scheme which uses derivatives for investment purposes.

5.18 Tax Risk

The tax information provided in the "Taxation" section is based on tax law and practice at the date of these Scheme Particulars. Tax legislation, the tax status of the Manager, the Fund, the taxation of Unitholders and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

The availability and value of any tax reliefs to Unitholders will depend on the particular circumstances of individual Unitholders. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Unitholders should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

5.19 Total Return Approach Risk

As the Fund operates on the basis of a total return approach to distributions the Fund may return capital as well as dividend and interest income, when making distributions. As a result, the capital value of the Fund may be eroded more quickly than if the Fund did not use the total return approach.

5.20 Liquidity Risk

The Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair. Where a fund owns non-traditional or alternative asset classes, it is possible that the liquidity in these assets is more variable than for traditional stocks or bonds.

5.21 Risk Factors Not Exhaustive

The risks set out in these Scheme Particulars do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5.22 Risk Management Process and Liquidity Management

The Manager employs a risk management process, including the use of appropriate stress-testing procedures, which enables it to identify, measure,

manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in these Scheme Particulars.

Other arrangements may also be used in response to redemption requests, including, in extreme cases, temporary suspension which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out in these Scheme Particulars.

6. Investment Powers, Controls and Restrictions

6.1 Investment and Borrowing Powers

Subject to the restrictions set out here and in the Scheme the Manager may invest the Scheme Property at its discretion in any kind of investment which it could make if it were absolutely entitled to the Scheme Property. The Manager must have regard to the need for diversification and suitability of investments and is subject to the restrictions in Appendix 2.

The Fund may, subject to certain restrictions and as a protective measure, undertake forward currency transactions and may invest in subscription warrants in respect of securities which could be subject to stabilisation activity.

The Fund may borrow up to 10% of the Net Asset Value of the Scheme Property temporarily for the purpose of meeting any payment properly to be made out of the Fund. The Fund may also borrow up to 25% of the Net Asset Value of the Scheme Property in connection with the acquisition or management of any land.

These borrowings can only be exceeded with the prior written consent of the Board. For further information on the Fund's borrowings please see the Leverage section below. Cash awaiting investment may be deposited with a bank or in a Common Deposit Fund.

6.2 Breach of Investment Limits

A breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Fund if the consent of the Trustee is obtained but, in the event of a breach, the Manager must then take such steps as are necessary to restore compliance with the investment limits within a reasonable period of time. The power to invest in direct property is among the wide investment powers of the Fund.

6.3 Investment in In-House Collective Investment Schemes

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds which may be operated or managed by the Manager or an associate of the Manager.

6.4 Securities Markets

The Investment Manager may trade in securities that are admitted to or are traded on an exchange or under the rules of a securities market that has been approved by the Investment Committee from time to time.

6.5 Leverage

This section explains in what circumstances and how the Manager may use leverage as defined by the AIFMD Legislation ("**Leverage**") in respect of the Fund and the maximum level of Leverage permitted.

Leverage means any method by which the Fund increases its exposure whether through borrowing cash or securities or leverage embedded in derivative positions or any other means. The sources of Leverage which can be used when managing the Fund include:

- cash borrowing; and
- financial derivative instruments.

Leverage may be used to facilitate the purchase of Scheme Property, but the Fund does not intend to use its borrowing powers to meet redemption requests. The Investment Manager will use Forward Foreign Exchange Contracts to hedge the currency exposure in the Fund.

The Manager is required to calculate and monitor the level of Leverage of the Fund. Leverage is expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV). The exposure of the Fund shall be calculated in accordance with the commitment method ("**Commitment Method**") and the gross method ("**Gross Method**").

Under the Gross Method, the exposure of the Fund is calculated as follows:

- a) include the sum of all assets purchased, plus the absolute value of all liabilities;

- b) exclude the value of cash and cash equivalents which are highly liquid investments held in the Base Currency of the Fund, that are:
- readily convertible to a known amount of cash; and
 - are subject to an insignificant risk of change in value;
- c) derivative instruments are converted into the equivalent position in their underlying assets;
- d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- e) include exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed; and
- f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the Commitment Method, the exposure of the Fund is largely calculated in the same way as under the Gross Method; however, whilst certain cash instruments and cash borrowings are included, the exposure of derivative or security positions employed in hedging and netting arrangements are not included in this calculation, provided certain conditions are met. These conditions aim to ensure that only those trades which offset the risks linked to other trades, leaving no material residual risk, are taken into account.

Further information regarding these different Leverage calculation methods can be found in the AIFMD Legislation and the investment risk management policy, which is available upon request from the Manager.

The only type of derivative the Investment Manager currently uses when managing the Fund is forward foreign exchange transactions. The Fund will only use these financial derivative instruments for the reduction of risk.

The total amount of Leverage employed by the Fund will be disclosed in the Fund's Report and Accounts.

The maximum levels of Leverage are as follows;

Gross Method: 235%

Commitment Method: 110%

As these calculations of regulatory leverage do not fully take into account whether a particular financial derivative instrument increases or decreases investment risk, they will not necessarily be fully representative of the actual level of investment risk within the Fund.

It is not intended that the Trustee or any sub-custodian shall be entitled to re-use for its own benefit any of the Fund's assets with which it has been entrusted.

7. Pricing of Units and Valuation of the Fund

7.1 Valuation Point

The Manager values the Scheme Property at 12:00 noon on each Dealing Day for the purpose of determining the prices at which Units may be issued, cancelled or redeemed. The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Valuation Points.

The Manager may also, at any time during a Business Day, carry out an additional valuation of the Scheme Property for the determination of Unit prices if, after consultation with the Trustee, it is considered desirable to do so.

7.2 Valuation of the Fund

The Scheme Property is valued in accordance with the FCA Regulations and the value of the Fund shall be the value of its assets less the value of its liabilities. The valuation of exchange traded securities is carried out at mid-market prices at the Valuation Point. The valuation of non-exchange traded securities is determined as follows:

- units in a Collective Investment Scheme – if the scheme is single priced then that price will be used. If the scheme is dual priced the mid-market price will be used;
- private equity holdings – the Manager will calculate the price based on valuation information provided by the private equity company;
- other assets – the Manager will value all other assets at a value which, in the opinion of the Manager, represents a fair and reasonable value based on independent inputs.

The Unit price includes the value of the income of the Fund which has not been declared as a distribution or accumulated by the Fund on the Dealing Day.

The amount of income to be included is the amount of income received by the Fund up to and including the Dealing Day, together with the amount of income accrued and including any UK tax credits to which the Fund is entitled. Any overseas income is treated on the same basis except that overseas tax deducted at source is only credited to the income of the Fund on receipt of claims made under double taxation treaties. All expenses paid or accrued on the same basis as the income will be deducted from the income.

7.3 Unit Prices

Dealing in Units takes place on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the

Manager. Units in the Fund are single priced and prices of Units are expressed in the Base Currency. The prices of the Units are based on the Net Asset Value per Unit.

The Unit prices represent the buying and selling prices for Unitholders and also the creation and cancellation prices for the Trustee. No Units are held by the Manager or any other party involved in the management of the Fund other than in the capacity as a custodian or trustee for an Eligible Contributor.

7.4 Dilution Adjustment

The actual cost of purchasing or selling assets and investments in the Fund may vary due to dealing charges, taxes, and any spread between buying and selling prices of the underlying investments of the Fund. These costs could have an adverse effect on the value of the Fund, known as **“dilution”**. In order to mitigate the effect of dilution the Manager may at its discretion adjust the sale and purchase price of Units to take into account the possible effects of dilution to arrive at the price of the Units. This practise is known as making a **“dilution adjustment”** or **“swing pricing”**. The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Fund. If the price of the Units does contain a dilution adjustment, such dilution adjustment will be paid into the Fund and will become part of the Scheme Property thus mitigating the effects of dilution that would otherwise constrain the future growth of the Fund.

The Manager reserves the right to make a dilution adjustment every Dealing Day. The dilution adjustment is calculated using the estimated dealing costs of the Fund’s underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The discount or premium to NAV per Unit (i.e. the rate of dilution adjustment) will depend on the volume of subscriptions or redemptions of Units and the Manager is not currently able to predict the likely frequency of such events. The Manager may in its discretion make a dilution adjustment if, in its opinion, the existing Unitholders, in the case of subscriptions, or remaining Unitholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Unitholders and potential Unitholders. In particular, the dilution adjustment may be made in relation to the Fund in the following circumstances:

- where the Fund is expanding or contracting;
- where the Fund is experiencing a large net subscription position or a large net redemption position relative to its size on any Dealing Day; and

- in any other case where the Manager is of the opinion that the interests of Unitholders requires the imposition of a dilution adjustment.

The Fund is regarded as expanding where, based on the daily movements in and out of the Fund, the Fund has experienced a material net inflow of money over a period of time. The Fund is regarded as contracting where, over a period of time, the Fund has experienced a material net outflow. The Fund is regarded as level where it is considered to be neither expanding nor contracting based on the above criteria.

Where the Fund is expanding, the Manager will normally swing the price to “**offer**” (i.e. increase the price by the adjustment rate referred to above), however the Manager may leave the price at “**mid**” (i.e. the price without any adjustment applied) if the flows are not of significant size relative to the size of the Fund.

Where the Fund is contracting, the Manager will normally swing the price to “**bid**”, however the Manager may leave the price at “mid” if the flows are not of significant size relative to the size of the Fund.

The dilution adjustment will be applied to the Net Asset Value per Unit resulting in a figure calculated up to four 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 Units. The most recent dilution adjustment figures can be obtained from the Manager on request.

On the occasions when a dilution adjustment is not applied if the Fund is in a net subscription position or a net redemption position, there may be an adverse impact on the assets of the Fund attributable to each underlying Unit, although the Manager does not consider this likely to be material in relation to the potential future growth in value of a Unit. As dilution is directly related to the inflows and outflows of monies from the 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 Manager will need to make a dilution adjustment.

In normal market conditions and under the tax and exchange fee regimes currently in operation in the relevant markets, the dilution adjustment is, based on historical data, likely to be in the range of minus 0.18% (for redemptions) to plus 0.18% (for subscriptions). Positive dilution adjustment figures indicate a typical increase from mid-price when the Fund is experiencing net inflows. Negative dilution adjustment figures indicate a typical decrease from mid-price when the Fund is experiencing net outflows. In more volatile or less liquid market conditions the dilution adjustment could be materially wider.

7.5 Publication of Prices and Performance

The Unit prices are published on every Dealing Day on the Manager's website www.ccla.co.uk or can be obtained by calling 0800 022 3505 during the Manager's normal business hours. As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can deal.

The Unit prices may also appear in other third party websites or publications. The Manager does not accept responsibility for the accuracy of the Unit prices published in, or for the non-publication of Unit prices by, these sources for reasons beyond the control of the Manager.

The Fund's past performance is set out in Appendix 3 and is also available on the Manager's website www.ccla.co.uk.

8. Dealing in Units

8.1 Application for Units

To apply for Units, the Applicant must have an active open account. An application to open (or reactivate) an account will normally take up to five Business Days provided all documents required are provided along with the Application Form. Instructions cannot be accepted until the account is active.

All instructions to buy and sell Units must be received on or prior to the Dealing Deadline if they are to be processed at the prices to be calculated on that day. Instructions received after this time will be held over to the next Dealing Day.

The Manager will execute purchases or redemptions on the instructions of the investor at the published Unit price at the relevant Valuation Point. Units can only be created or cancelled through the Trustee on behalf of the Fund.

8.2 Minimum Initial and Subsequent Investments

The normal minimum initial investment in the Units is £1,000. Any additional amount may be invested thereafter. The Manager reserves the right to waive the minimum initial investment amount.

8.3 Buying Units

Applications for the initial purchase and all subsequent purchases of Units must be made using a completed buy Units form. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the Dealing Deadline or by opting to debit a COIF Charities Deposit Fund account in the

Unitholder's name or their nominee at the same time as the submission of the buy Units form.

Cheques, if used, must be drawn on an account in the name of the Applicant/Unitholder and made payable in the Base Currency of the Fund to **"CCLA Fund Managers Limited CMPA"**. Purchases will be processed on the relevant Dealing Day providing the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the Dealing Deadline.

Except as specified below (in the section titled Applications from nominees), applications to purchase Units can only be actioned on a particular Dealing Day if, on or prior to the Dealing Deadline:

- a correctly completed buy Units form has been received by the Transfer Agent; and
- the Trustee is in receipt of cleared funds.

Applications from nominees

Where a nominee company acts on behalf of an Applicant/Unitholder, the Transfer Agent may process an application to buy Units which has been received on or prior to the Dealing Deadline even where the Trustee is not in receipt of cleared funds.

Where the Transfer Agent has acted upon such an instruction, cleared funds must be received by the end of two Business Days following the Dealing Day. Should cleared funds not be received by this time, the Manager reserves the right to immediately redeem any Units created as a result of that instruction.

The nominee company will be responsible for any losses (including costs, expenses or other liabilities) incurred as a result of that nominee company failing to provide cleared funds by the end of two Business Days following the relevant Dealing Day. Such losses may include (without limitation) any loss sustained by the Manager or the Fund as a consequence of a fall in the price of Units and any costs sustained by the Manager or the Fund when redeeming such Units.

Provisions applicable to all applications

Bank accounts of Applicants/Unitholders should be held with a banking institution in the United Kingdom and payments made payable in the Base Currency of the Fund.

Applications to purchase, once made, are irrevocable. However, subject to its obligations under applicable law and regulation, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the Applicant/Unitholder (or nominee company, where applicable), any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the Applicant/Unitholder.

The Manager may also, at its discretion, suspend the issue of new Units if any such new issue would prevent the orderly investment of monies by the Fund.

When monies are received early, they will be banked in a client money account for investment on the next Dealing Day providing a corresponding buy Units form has been received. Interest will not be payable on these monies.

On acceptance of an application, Units will be issued at the relevant Unit price. A contract note will normally be dispatched by the end of the next Business Day following the Dealing Day. The contract note inter alia, will show certain information, such as the number of Units and the issue price. Units are issued to two decimal places.

The Manager reserves the right not to execute a transaction until the charitable status and eligibility of the Applicant has been demonstrated.

Conditional Orders

The Transfer Agent cannot accept conditional purchase or sale instructions from investors. A conditional order is one where the instruction specifically states that a purchase or sale may only proceed at a specified price, e.g. purchase £50,000 worth of the Fund Units if the Unit price is less than £5.

8.4 Selling Units

All instructions to sell Units must be made using a completed sell Units form and be received by the Transfer Agent on or prior to the Dealing Deadline to obtain that day's price. On acceptance of a redemption, Units will be redeemed at the relevant Unit price. A contract note detailing the transaction will normally be sent out by the close of business on the next Business Day.

Proceeds of sales will be remitted to the nominated bank account of the Unitholder or be paid direct to a COIF Charities Deposit Fund account held in the name of the Unitholder. Proceeds relating to settlement of sales are usually remitted within four Business Days of the Dealing Day.

In the event funds are returned, the Manager will take reasonable steps to contact the Unitholder to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Unitholder's payment instructions being incorrect or not being kept up to date.

Proceeds that are transferred to a COIF Charities Deposit Fund account are usually credited with effect from the settlement date (two Business Days after the Dealing Day).

8.5 Deferred Redemptions

If requested redemptions from the Fund on a particular Dealing Day exceed 10% of the value of the Fund, redemptions of Units may be deferred to the next Valuation Point. Any such deferral will only be undertaken in such manner as to ensure consistent treatment of all Unitholders who had sought to redeem Units at the Valuation Point at which redemptions were deferred. Deferral will be pro-rated based on the value of Units being redeemed (provided that the Manager may determine in its discretion a value threshold below which all redemptions will be effected and above which the foregoing pro rata deferral shall apply) and so that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

8.6 Regular Trades

An Applicant/Unitholder may buy and sell Units at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For purchases, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

8.7 Conversion and Switching

A Unitholder may Convert or Switch all or some of their Units ("**Original Units**") for Units of a different type or units in another COIF Charities Fund ("**New Units**").

A Conversion is an exchange of Income Units for Accumulation Units or vice versa.

A Switch is an exchange of Units for units in another COIF Charities Fund.

The number of New Units issued to a Unitholder following a Conversion or a Switch will be determined by reference to the price of the Original Units relative to the price of the New Units at the relevant Valuation Point, and in the case of Switches, to the relevant valuation point of the other COIF Charities Fund.

Unitholders are required to provide written instructions to the Transfer Agent before the Switch or Conversion is effected. Moreover, a Switch to another COIF Charities Fund will require the Unitholder to confirm that they have received, read and understood the Key Information Document for the relevant fund.

Whilst Switches between the COIF Charities Funds are permitted at any time, Switches involving the COIF Charities Property Fund can only be undertaken on the COIF Charities Property Fund dealing day. Further details are available in the relevant scheme particulars for this fund on the Manager's website.

8.8 Securities Exchange

Quoted securities in which the Fund has power to invest may be offered to the Fund in exchange for the issue of Units on a Dealing Day. If accepted, securities are taken in at mid-market valuation. The Manager has absolute discretion as to the securities that will be accepted. The procedure for exchange is complex and may require some time for completion; further details are available upon request. Neither the Trustee nor the Manager accepts any responsibility for any fluctuation in asset values during the transition into Units. It is the investor's responsibility to arrange for the transfer of acceptable securities to the Fund. Neither the Trustee nor the Manager accepts any responsibility or liability for any loss that may arise as a result of any failure or delay in the transfer of securities by an investor or an investor's investment manager.

8.9 Large Deals

Deals of any size can normally be completed without delay, and there is normally no restriction on the carrying out of transactions. For the purpose of these Scheme Particulars, a large deal is one of £1,000,000. The Manager may, at its discretion, elect to settle such deals by way of a transfer of securities from the assets of the Fund to the seller (in specie transfer) and may be applied at the discretion of the Manager and subject to the agreement of the Trustee.

8.10 Trustee's Refusal to Issue or Cancel Units

The Trustee has the power to refuse to issue or cancel Units where:

- a) the Trustee is of the opinion that it is appropriate to do so; or
- b) the Trustee considers that there may be an issue with the Manager's ability or competence to continue as the Manager of the Fund; or
- c) on receipt of instructions from the Manager to issue or cancel Units, the Trustee is of the opinion that such action would result in a breach of law or regulation; or
- d) the Applicant may be ineligible for the Fund; or
- e) there may be potential detriment to the Fund; or
- f) it is not in the interests of Unitholders that:
 - Units should be issued; or
 - Units should be cancelled; or
 - Units should be issued or cancelled in the number requested by the Manager.

In all the cases where the Trustee refuses to issue or cancel Units the Trustee must give notice to the Manager that the Trustee refuses to issue or, as the case may be, cancel, all, or a specified number of, the Units.

On giving such a notice the Trustee is relieved of the obligation to issue or cancel the number of Units to which the notice relates.

8.11 Suspension of Dealing

In exceptional circumstances, the Manager may, if the Trustee agrees, or shall, if the Trustee requires, suspend at any time for a period of up to 28 days the issue, cancellation, buying and selling of Units. The Manager or the Trustee must be of the opinion that there is good and sufficient reason to do so, having regard to the best interests of the Unitholders. No Units can be bought or sold during this period. The Manager will notify Unitholders as soon as reasonably practicable if it is decided to suspend dealing in the Fund.

8.12 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("**CASS**") where it holds client money (as defined by CASS).

Client money typically arises during the creation and redemption processes where a Unitholder passes money to the Manager for the purpose of investing in Units or the Manager passes money due to the Unitholder as the result of the redemption of Units. All subscriptions are received into a client money account and all redemptions are passed into, and paid from, a client money account. Unitholders should note that in their dealings in Units the Manager is responsible for arranging for the issue and the cancellation of the Units.

Money received for subscription or redemption of Units: Any money which is received by the Manager prior to investment in the Fund or following a redemption of Units will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Unitholders' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying

away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Unitholder.

Insolvency of the third-party bank holding client money:

If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the investors against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the amount of client money held with the bank and any client money claimed by the Manager on behalf of investors. In these circumstances, investors will share that shortfall with all other clients in proportion to their respective claims, and investors may not receive back all the client money due to them.

8.13 Execution Services

In accordance with the FCA Regulations, the Investment Manager must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund and must establish and implement an order execution policy to allow it to obtain the best possible result and to ensure that all sufficient steps are taken to act in the Unitholders' best interests in line with its treating customers fairly policy.

The Investment Manager's order execution policy sets out the basis upon which the Investment Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations in relation to execution. Details of the order execution policy are available on the Manager's website www.ccla.co.uk. A copy will also be made available on request.

9. Distributions to Unitholders

Pursuant to the Scheme, both the capital and the income of the Fund will be available for distributions at the Manager's discretion.

9.1 Quarterly Distribution

Distributions are calculated quarterly on the last Business Day of each calendar quarter, being March, June, September and December (the "**Ex-dividend date**").

In respect of Income Units, the annual rate of distribution is approved by the Board in discussions with the Manager. The Income Unit distribution rate is set at a level that is expected both to allow the distribution amounts to be maintained or increased over time and to preserve the real (after inflation) value of Income Units over the long-term. Both the capital and the income of the Fund may be used for the purpose of making distributions in respect of Income Units. It is recognised that from time to time changing circumstances may require an amendment

to the annual rate in order to increase the likelihood of maintaining the real value of Income Units.

In respect of Accumulation Units, the distributions consist of the total income accrued in the relevant quarter. Currently the Manager does not use the capital of the Fund for the purposes of distributions in respect of Accumulation Units.

Distributions in respect of the preceding quarter are usually paid on the last Business Day of the second calendar month following the Ex-dividend date, being May, August, November and February.

Monies will be paid directly to a bank account held in the name of the Unitholder (or a nominee company acting on behalf of the Unitholder) or paid into a COIF Charities Deposit Fund account in the name of the Unitholder (or nominee company acting on behalf of the Unitholder).

In addition, if a distribution made in relation to any Income Units remains unclaimed over the subsequent three accounting periods for which distributions are made for those Units, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Units remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

Holders of Accumulation Units do not receive distributions of income as explained under the section headed Income and Accumulation Units above in section 4 above.

Changes in tax law and regulations may affect the basis of calculation and payment of distributions.

9.2 Income Reserve Account

Each quarter income may be transferred to an Income Reserve Account which reduces the amount available for distribution in respect of that quarter, or income can be transferred from the Income Reserve Account to the Distribution Account, which increases the amount available for distribution. The Income Reserve Account is used to even out fluctuations in income available for distribution which may arise from time to time. The amount held in the Income Reserve Account forms part of the capital of the Fund and is included in the price of Income Units until it is used in the payment of a distribution. The Income Reserve Account is used in respect of Income Units only. Additionally, where there is a balance brought forward on the Income Reserve Account new holders of Income Units are acquiring a right to a proportion of the income reserve, and those selling are giving up the right to the income reserve of the Fund.

The Scheme allows for distributions of both the capital and income of the Fund (see above), but the Income Reserve Account must be fully exhausted before any capital can be paid. The exhaustion of the

Income Reserve Account does not preclude it from being used again in the manner described above.

9.3 Equalisation

The first allocation of income within a distribution to which a Unitholder is entitled, following the purchase of Units, is calculated as if the purchase had been made at the beginning of the quarter. The distribution will therefore include that part of the purchase price consisting of income from the beginning of the quarter to the date of purchase.

10. Reporting

10.1 Regular Statements

Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

10.2 Report and Accounts of the Fund

The Report and Accounts of the Fund are normally prepared for the half year to 30 June (unaudited) and the year to 31 December (audited).

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and the half-yearly Reports and Accounts for the period to 30 June (the interim accounting date) within six months of the end of the relevant period.

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management. The Report and Accounts will also include details of any change to the Fund's use of Leverage and further disclosures required by the AIFMD Legislation.

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

11. Complaints and Compensation

11.1 Complaints

The Manager has established a complaints policy to investigate complaints received.

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix 1.

Unitholders who are eligible complainants (as defined in the FCA Regulations) may have the right

to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Unitholder. The address, telephone number and website of the FOS is shown in Appendix 1.

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

11.2 Compensation

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it has acted on the instructions of the Unitholder (or nominee company acting on behalf of the Unitholder) in accordance with the mandate.

In certain circumstances a Unitholder may be entitled to protection from the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. However, please be aware that the compensation limits from the FSCS apply at a firm level. This means, for example, that if the Manager cannot meet its obligations and a Unitholder has investments in more than one CCLA fund (and each fund is eligible under the FSCS), then it is likely that the maximum amount that would be protected would be £85,000, provided the Unitholder is eligible to claim.

For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

12. Charges and Expenses

12.1 Remuneration and Expenses of the Trustee

The Scheme provides for the remuneration of the Trustee out of the Scheme Property by way of a periodic charge (plus VAT, if applicable and if any), and the reimbursement of expenses (plus VAT, if applicable and if any) properly incurred by the Trustee. The rate of the Trustee's periodic charge is to be agreed in writing with the Board from time to time.

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

- delivery of securities to the Trustee;
- custody of assets;
- collection of income;
- submission of tax returns;
- handling of tax claims;
- preparation of the Trustee's annual report; and
- such other duties as the Trustee is required or empowered by law to perform.

The maximum periodic charge that may be made by the Trustee, subject to the prior written approval of

the Charity Commission, is 0.03% per annum, (plus VAT, if applicable and if any), of the value of the Scheme Property.

The actual periodic charge agreed with the Board is calculated on a sliding scale:

- 0.0075% per annum on assets up to £100m;
- 0.0056% per annum on assets from £100m to £500m;
- 0.0038% per annum on assets over £500m.

The periodic charge (plus VAT, if applicable and if any), accrues daily to the Scheme Property and is payable monthly in arrears.

Any increase in the actual or maximum amount of the periodic charge made by the Trustee shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

In addition to the annual charge the Trustee is entitled to be paid custody charges as follows:

- Transaction – £3 to £67.50 per transaction;
- Safekeeping – 0.003% to 0.1875%.

12.2 Remuneration and Expenses of the Manager

The Annual Management Charge has been agreed by the Board and approved by the Charity Commission. Currently the charge is 0.75% (plus VAT, if applicable) per annum of the Net Asset Value of the Scheme Property. The Annual Management Charge accrues daily and is calculated by reference to the Net Asset Value of the Scheme Property on the immediately preceding Valuation Point. The accrued Annual Management Charge is paid from the Fund monthly in arrears.

The Annual Management Charge will be paid 100% from capital. The policy of taking the Annual Management Charge from capital could lead to capital erosion. However, it should not change the overall return on the Fund, taking capital and income together.

Where applicable, to avoid double charging, rebates of charges on holdings in the other funds managed or operated by the Manager or an associate are calculated and applied to the Fund. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

Any increase in the actual or maximum amount of the Annual Management Charge shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and

- the prior written approval of the Charity Commission.

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

12.3 Preliminary Charge

The Scheme provides for a preliminary charge to be included in the price at which Units may be purchased, out of which the expenses and remuneration of the Manager may be paid. No preliminary charge is currently levied.

The introduction of a preliminary charge and any increase in the actual or maximum amount of a preliminary charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.4 Redemption Charge

The Scheme provides for a redemption charge to be included in the price at which Units may be sold, out of which the expenses and remuneration of the Manager may be paid. No redemption charge is currently levied.

The introduction of a redemption charge and any increase in the actual or maximum amount of a redemption charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.5 Inducements

In accordance with the FCA Regulations, the Manager when executing orders or placing orders with other entities in relation to financial instruments for execution on behalf of the Fund must not accept and retain any fees, commission or monetary benefits from a third party.

The Manager must not accept any non-monetary benefits when executing orders or placing orders with other entities for execution in relation to financial instruments on behalf of the Fund, except those which are capable of enhancing the quality of the service provided to the Fund, and which are of a scale and nature such that they could not be judged to impair the Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Fund.

12.6 Research

Certain brokers may from time to time provide research services to the Investment Manager which are used by the Investment Manager in its management of the Fund. The costs and expenses for such research services will be borne by the Investment Manager.

12.7 Other Expenses

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

- brokers' commission (where such payment may be made in accordance with the FCA Regulations), fiscal charges and other disbursements which are:
 - necessary or properly to be incurred in effecting transactions for the Fund;
 - normally shown in contract notes, confirmation notes, and margin accounts as appropriate;
- interest on borrowing permitted by the Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing;
- taxation and duties payable in respect of the Scheme Property, the Scheme or the issue of Units, if applicable;
- any costs incurred in modifying the Scheme where modification is:
 - necessary to implement, or necessary as a direct consequence of, any changes in the law; or
 - expedient having regard to any change in the law made by or under any fiscal enactment; or
 - to remove obsolete provisions from the Scheme; or
 - agreed by the Manager and Trustee to be in the interest of Unitholders.
- liabilities on a unitisation, amalgamation or reconstruction arising in certain circumstances;
- the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor;
- the proper expenses of the Board;
- the fees of any relevant regulatory authority in a country or territory in which Units are or may be marketed;
- any costs incurred through purchasing and holding third-party funds; and
- such other fees or expenses as may from time to time be agreed with the Trustee and depositary.

13. Conflicts of Interest

13.1 Conflicts of Interest Policy

The Manager and Investment Manager operate a conflicts of interest policy to ensure that their clients are treated fairly. The policy seeks to avoid circumstances which they consider may give rise to potential conflicts of interest and materially disadvantage their clients. It describes the controls and arrangements for preventing the Manager, the Investment Manager and their staff from:

- favouring one client over another;
- making a financial gain, or avoiding a financial loss, at the expense of the client;
- favouring a member of staff over a client;
- providing to (or receiving from) a person other than the client, an inducement in relation to a service provided to the client, in the form of a financial interest;
- market abuse and disclosing confidential information;
- giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;
- favouring one of the Investment Manager's owners at the disadvantage of its clients;
- not disclosing the Investment Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and
- not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

13.2 Trustee and Depositary Conflicts of Interest

From time to time actual or potential conflicts of interest may arise between the depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Fund, the Unitholders or the Manager on the one hand and the depositary on the other hand. For example, such actual or potential conflict may arise because the depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund or the Manager and from which fees and profits in

relation to the provision of those products or services may arise and from which the depositary may benefit directly or indirectly. In addition, the depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other clients whose interests may conflict with those of the Fund, the Unitholders or the Manager.

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the Scheme Property. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provide broking services to the Fund and/or to other funds or companies; act as financial adviser, banker, derivatives counterparty or otherwise provide services to the issuer of the investments of the Fund; act in the same transaction as agent for more than one client; have a material interest in the issue of the investments of the Fund; or earn profits from or have a financial or business interest in any of these activities.

The depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

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

13.3 Material Interests and Conflicts

The Manager, the Investment Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

The Trustee may, from time to time, act as trustee of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations and the AIFMD Legislation, ensure that the performance of their respective duties will not be impaired by any such involvement.

The Fund has the power to invest in other funds operated or managed by the Manager or an associate of the Manager, and a rebate of charges is made to ensure no double charging of the management fee. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

The Manager operates a client relationship management service to offer suitable support to Charities. It should be noted that this service is associated with the COIF Charities Funds and that the COIF Charities Investment Fund owns 22.37% of the share capital of the Investment Manager as at 31 December 2022.

14. Taxation

14.1 General

The Fund has charitable status and is recognised as a Charity for UK tax purposes. As a Charity, the Fund should not be subject to UK tax on gains (provided such gains are applied for Charitable Purposes) or income from investments (provided such income is applied for Charitable Purposes). Tax suffered on investment income from UK equity dividends is not recoverable. To the extent that the Fund invests overseas, it may not be possible for the Manager to recover withholding tax suffered. As a Charity, the Fund is exempt from UK Stamp Duty.

Distributions by the Fund are made gross (i.e. without deduction of tax). Unitholders should not be liable to UK tax in respect of such distributions provided such income is applied for Charitable Purposes.

Distributions are paid and reinvested income is credited gross to Unitholders on the basis that all UK taxation has been both reclaimed and recovered. Overseas income is credited net and any overseas withholding tax is credited to income when it is recovered. No deductions in respect of tax are made with regard to income distributions or income passed to capital.

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

This is the Manager's understanding of the tax position as of the date of these Scheme Particulars. The tax position may change in the future. Unitholders should obtain their own tax advice in respect of their own position. Unitholders will be notified in writing with regards to any material changes in the tax position of the Fund.

15. Termination

15.1 Winding Up

If, upon consideration of the Board's representations (if any), the Trustee remains of the opinion that a winding up of the Fund is expedient in the interests of the Unitholders, the Trustee may execute a written declaration that the Fund is to be wound up, and if it does so, the Trustee shall send copies of the declaration to the Charity Commission, the Manager and the Board and publish it as the Charity Commission may direct.

Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Unitholders will be deemed to have submitted a sell Units form to sell their Units to the Manager.

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Unitholders pro rata to their holdings.

Any sell Units forms already received by the Transfer Agent to sell Units in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed sales that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to sell have been processed the Scheme Property will be distributed to the remaining Unitholders on a pro-rata basis according to the number of Units held by them in the Fund. The Manager has discretion to make in-specie redemptions in place of payments in cash.

In the event of winding up, any amount in the Income Reserve Account is distributed at the discretion of the Trustee.

16. General Information

16.1 Data Protection

The Manager is a data controller and the Transfer Agent is a data processor in accordance with the Data Protection Legislation and both will hold personal data about each Unitholder's representatives (referred to below as "**representatives**") that has been supplied to the Manager or Transfer Agent (whether by the representative, a Unitholder or otherwise) as set out in the Manager's Privacy Notice. Each Unitholder agrees to ensure that the contact details and other personal data provided for it and its representatives to the Manager and Transfer Agent remains up to date at all times.

The Unitholder acknowledges that the Fund may invest in investment schemes operated and managed by the Manager and/or by third parties (referred to below as "**investment schemes**") and that the Manager may need to pass data, including personal data regarding the representatives, to those investment schemes. The Manager will not pass on any personal data to any other third party or permit the investment schemes to pass the personal data to third parties except: (i) where, in relation to the performance of its services to the Unitholder, the Manager (or the investment scheme) sub-contracts part of the services or any support services; (ii) as agreed by the Unitholder; or (iii) where required to do so for legal or regulatory purposes as set out in the Manager's Privacy Notice.

The Manager (and the investment schemes) may keep records of all business transactions for at least seven years. Unitholders have a right to inspect copies of contract notes and entries in the Manager's books or computerised records relating to their transactions. Their representatives also have certain rights under applicable Data Protection Legislation, including the right to access copies of their personal data and change the permissions given in respect of the processing of it. The Manager will treat all Unitholders' records as confidential and so reserves the right to provide copies of the Unitholder/representative's particular record, rather than allow access to files which may contain information about other Unitholders. Requests to access the above records/personal data or to exercise any other rights under applicable Data Protection Legislation should be directed to The Data Protection Adviser at the Manager's office, One Angel Lane, London EC4R 3AB.

16.2 Telephone and Electronic Communications

Please note the Manager and Transfer Agent may record telephone calls for training and monitoring purposes and to confirm instructions.

16.3 Amending these Scheme Particulars

These Scheme Particulars may be updated or amended by the Manager from time to time, subject where applicable to the approval of the Board or the Charity Commission where necessary as set out in the Scheme and these Scheme Particulars, and in relation to any changes to the investment objective and Investment Policy only in accordance with the provisions dealing with such changes as set out above in these Scheme Particulars.

The approval of the Board is necessary where the Manager seeks to amend the investment objective or Investment Policy, or where the Manager wishes to enter into a course of borrowing in excess of 10% of the Net Asset Value of the Scheme Property.

The approval of the Charity Commission is required in the following circumstances:

- if it is proposed that the fees of the Manager or the Trustee be increased; or
- if any amendment is proposed that modifies or relaxes any duty to account to the Fund which may result from a conflict of interest or duty on the part of the Trustee, Manager or other person.

The Manager will endeavour to give Unitholders 30 days' notice of changes to the Scheme Particulars save in respect of any proposed increase in the fees of the Manager and/or Trustee when a minimum of 90 days' prior notice is required to be given under the Scheme. For changes other than changes to the fees of the Manager and/or Trustee, in some circumstances it may not be possible to give 30 days' notice when changes are required for regulatory or other reasons.

16.4 Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

16.5 Acceptance of Terms and Conditions

By completing the Application Form the Applicant acknowledges and accepts the terms and conditions set out in these Scheme Particulars and the Scheme and agrees to be bound by them.

16.6 Applicable Law and Jurisdiction

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules the latter shall prevail.

These Scheme Particulars summarise the terms on which the Fund operates. For further information as to the terms on which Units are issued, reference should be made to the Scheme which is available upon request from the Manager.

By applying for Units, a Unitholder acknowledges that it will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Unitholder's investment in the Fund or any related material.

16.7 Additional Information

A Unitholder is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

The Manager will make available copies of the Scheme Particulars, Key Information Document, factsheet and annual and half yearly Report and Accounts on its website www.ccla.co.uk. Alternative

formats of these documents are available upon request from clientservices@ccla.co.uk.

If a hard copy or an email copy of these documents or the Scheme is required, please contact Client Services on 0800 022 3505.

Appendix 1 – Directory

Trustee and Depositary

The Trustee and depositary of the Fund is HSBC Bank plc which is a public limited company, incorporated in England and Wales. It is a 100% subsidiary of HSBC Holdings plc, incorporated in England with limited liability. Its principal business is banking. The Head Office, which is also the registered office, is at 8 Canada Square, London E14 5HQ.

Manager

The Manager of the Fund is CCLA Fund Managers Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. The Manager is authorised by the FCA as a full scope UK AIFM and is entered on the FCA's register under reference number 611707.

The main business activity of the Manager is the management of unregulated and regulated Collective Investment Schemes in the form of UK AIFs.

CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited. Registered office at One Angel Lane, London EC4R 3AB.

Incorporated on 16 October 2013.

Directors of CCLA Fund Managers Limited are:

J. Bailie (Chairman)*
D. Sloper
E. Sheldon
J. Berens
N. McLeod-Clarke*

(* indicates a Non-Executive Director)

The Manager also manages the COIF Charities Investment Fund, the COIF Charities Ethical Investment Fund, the COIF Charities Short Duration Bond Fund, the COIF Charities Property Fund and the COIF Charities Deposit Fund.

CCLA Fund Managers Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

Investment Manager

The Investment Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at One Angel Lane, London EC4R 3AB.

The Board of the Fund

The members of the Board are:

K. Corrigan
J. Hobart
N. Morecroft (Chairman)
A. Watson
C. Ong

Administrator

The Administrator of the Fund is HSBC Bank Plc, 8 Canada Square, London E14 5HQ.

Registrar

The Registrar of the Fund is CCLA Fund Managers Limited. The Register may be inspected at the registered office of CCLA Fund Managers Limited during normal business hours by a Unitholder or any Unitholder's duly authorised nominee/agent.

Transfer Agent

The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

Auditor

The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

Address for Complaints

Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, One Angel Lane, London EC4R 3AB or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

Unitholders who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR (telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

Appendix 2 – Investment Restrictions

Securities

Save as provided below, the Investment Manager shall not invest the Scheme Property in transferable securities which are not approved securities (an approved security being a transferable security that is admitted to official listing in the United Kingdom or a European Economic Area State or is traded on or under the rules of an eligible securities market (otherwise than by the specific permission of the market authority)).

The Fund will not invest in securities underwritten by the Manager or the Investment Manager.

The Investment Manager shall not invest more than 10% of the Net Asset Value of the Scheme Property as at the date of the investment in transferable securities issued by any single body, other than government and public securities.

In-House Funds

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds operated by the Manager or an associate of the Manager (In-House Funds) provided that not more than a total of 20% of the Net Asset Value of the Scheme Property as at the date of the investment shall be invested in In-House Funds.

Non In-House Funds

The following restrictions apply to investment in Collective Investment Schemes other than investment in In-House Funds.

The Fund shall not invest in a Collective Investment Scheme (second scheme) unless the second scheme meets each of the requirements set out in 1.1 to 1.3:

- 1.1 the second scheme complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
 - a) is a non-UCITS retail scheme; or
 - b) is a recognised scheme; or
 - c) is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or
 - d) is a Common Investment Fund.

- 1.2 the second scheme operates on the principle of the prudent spread of risk; and

- 1.3 the participants in the second scheme shall be entitled to have their units redeemed in accordance with that scheme at a price;
 - a) related to the net asset value of the property to which the units relate; and
 - b) determined in accordance with that scheme.

Notwithstanding the above, the Fund may invest not more than a total of 20% of the Net Asset Value of the Scheme Property as at the date of the investment:

- 2.1 in units in a second scheme or schemes not falling within 1.1 to 1.3; and
- 2.2 in any transferable securities which are not approved securities.

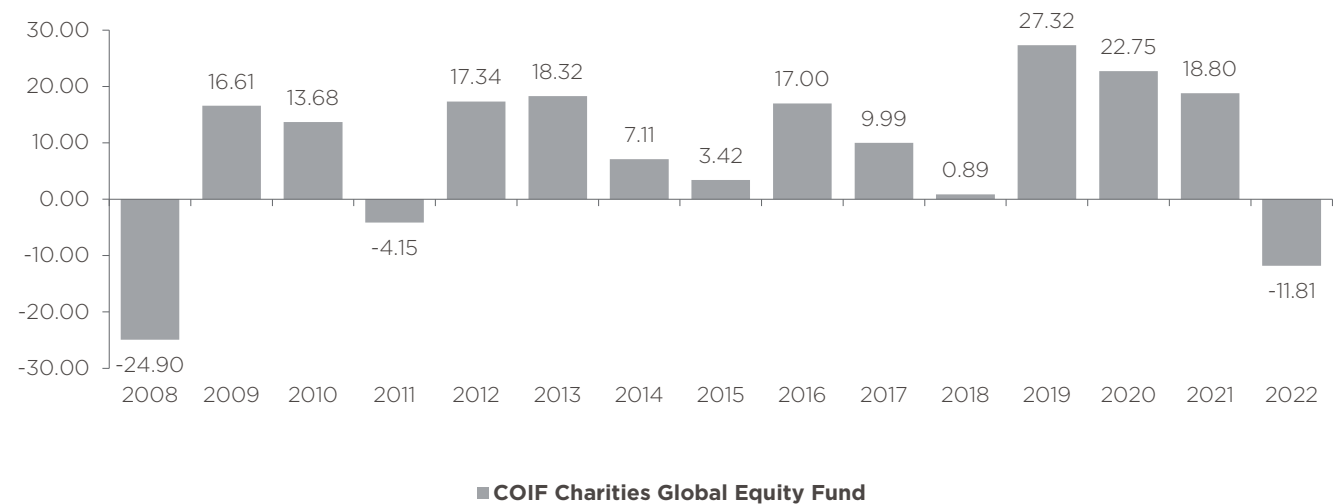
The Investment Manager shall not invest more than 35% of the Net Asset Value of the Scheme Property as at the date of the investment in any one Collective Investment Scheme.

Cash

To the extent that it is not otherwise permitted under the provisions of the Scheme, the Scheme Property may include cash and near cash where this may reasonably be regarded as necessary in order to facilitate the cancellation of Units, or to further the efficient management of the Fund, or otherwise to enable the Manager to discharge its functions under the Scheme.

Appendix 3 – Past Performance

The performance below is shown net of all Fund charges and expenses. It has been calculated in the Base Currency of the Fund.



The Fund launched in December 2007 and until 20 November 2023, was known as the COIF Charities Global Equity Income Fund.

Past performance is not a reliable indicator of future results.

Appendix 4 – Investment Policy Statement

This Investment Policy Statement is provided in accordance with clause 51.4 of the Scheme. It should be read in conjunction with these Scheme Particulars. The Investment Policy of the Fund is designed to meet the investment objective of the Fund and is made and reviewed by the Manager.

Investment Objective

The Fund aims to provide income with long-term capital growth.

Investment Policy

The Fund is an actively managed, diversified portfolio of global equities. It will principally invest in UK and overseas equities but may also invest in other assets.

The Fund follows a client-driven ethical investment policy.

Comparator Benchmark

The comparator benchmark for the Fund is the MSCI™ World Index.

The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Balance between different kinds of Investment

The balance between the different kinds of investment will be established by the Manager's judgment of the future returns likely to be obtained in each sector. To mitigate risk, the differences will be regularly monitored and reviewed by both the Manager and the Board.

Risk

The nature of the Fund is to be exposed to a number of risks as detailed in the Risks section of these Scheme Particulars. This means that the Unit price may fluctuate. Risk will be managed to the extent possible by diversification, where possible, within each sector, and by following controlled administrative procedures.

Projected Return

It is not possible to accurately project a total return for a fund of this kind since markets are volatile and the value of investments can go down as well as up. Past performance is not a reliable indicator of future results. Policy will be to expect the Investment Manager to outperform the comparator benchmark over a long-term time frame.

The Realisation of Investments

The Fund will be actively managed, which means that investments will be realised by the Investment Manager for both stock specific and asset allocation reasons in furtherance of the Investment Policy.

CCLA Fund Managers Limited

One Angel Lane
London
EC4R 3AB

Freephone 0800 022 3505
clientservices@ccla.co.uk

www.ccla.co.uk

CCLA Fund Managers Limited (registered in England & Wales No. 8735639) is authorised and regulated by the Financial Conduct Authority.

CCLA

BECAUSE GOOD IS BETTER

COIF Charities Property Fund

Scheme Particulars

Scheme Particulars

COIF Charities Property Fund

Effective from 20 November 2023

Issued by CCLA Fund Managers Limited (the “**Manager**”)

A copy of this document, which constitutes Scheme Particulars for the COIF Charities Property Fund (the “**Fund**”), established and regulated by a Scheme dated 12 July 2002 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014 and 29 July 2014 and by an order dated 9 October 2014 and an order dated 19 October 2016 (the “**Scheme**”), and adopted by the Manager on 22 July 2014 has been filed with the Charity Commission. The Fund is registered with the Charity Commission under Charity Registration Number 1093084.

Should the provisions of the Scheme and the Scheme Particulars be in conflict, the provisions of the Scheme shall prevail.

Any person relying on the information contained in this document, which was current at the date shown above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in these Scheme Particulars are true, clear and not misleading, Unitholders and/or potential Unitholders should not treat these Scheme Particulars as advice relating to their own legal, tax or investment position. If a Unitholder or potential Unitholder is in any doubt as to the meaning of any information contained in these Scheme Particulars, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1 Definitions

Administrator means CCLA Investment Management Limited, or such successor entity appointed as administrator by the Manager from time to time.

AIFMD Legislation refers to the Alternative Investment Fund Managers Regulations 2013, the Alternative Investment Fund Managers Directive 2011/61/EU and the Commission Delegated Regulation (EU) 231/2013 as applied in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11:00pm on 31 January 2020.

Annual Management Charge means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.

Applicant means a Charity (or nominee company acting on its behalf) which is applying for an account.

Application Form means the application form to open an account available from the Manager's website.

Auditor means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.

Base Currency means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.

Bid price means the price at which Units may be sold by investors.

Board means the persons appointed pursuant to the Scheme and as further described in these Scheme Particulars.

Business Day means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.

Charitable Purposes bears the meaning as set out in section 2 of the Charities Act 2011.

Charity means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an "appropriate body" in Scotland and Northern Ireland within the meaning of section 97(3) of the Charities Act 2011.

Charity Commission means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.

Collective Investment Scheme means a collective investment scheme as defined by section 235(1) of the Financial Services and Markets Act 2000.

Common Deposit Fund means a common deposit fund established under section 100 of the Charities Act 2011.

Common Investment Fund means a common investment fund established under section 96 of the Charities Act 2011.

Data Protection Legislation means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislations thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.

Dealing Day means the last Business Day of each calendar month.

Dealing Deadline means 5:00pm London time on the Business Day immediately preceding the Dealing Day, or as otherwise determined by the Manager.

Depository Services Agreement means the agreement dated 21 July 2014 entered into by the Trustee, the Board and the Manager in relation to the depository services the Trustee provides to the Fund (as amended, supplemented or replaced from time to time).

Distribution Account means an account as provided for in the Scheme for the purpose of holding income to be distributed to Unitholders.

Eligible Contributor means a Charity (or nominee company acting on its behalf) which is and continues to be eligible to hold Units.

Equalisation means an adjustment to the price of the Units to reflect the fact that investors buying Units part way through the Fund's accounting period are not entitled to all the income earned in respect of those Units over that period.

External Property Valuer means such independent valuer or valuers as the Manager shall select from time to time.

FCA means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.

FCA Regulations means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.

Fund means the COIF Charities Property Fund.

Group has the same meaning as listed in the glossary to the FCA Regulations.

Income Reserve Account means an account in respect of the Fund for the purpose of evening out the amount of income distributed.

Income Units means those Units which pay distributions to Unitholders.

Investment Management Agreement means the agreement dated 22 July 2014 between the Manager and the Investment Manager delegating the portfolio management and administration of the Scheme Property to the Investment Manager and the Administrator (as amended, supplemented or replaced from time to time).

Investment Manager means CCLA Investment Management Limited.

Investment Policy means the investment policy as decided in the Investment Policy Statement from time to time.

Investment Policy Statement means the investment policy statement set out in these Scheme Particulars as amended from time to time.

Key Information Document means the document published for the Fund which contains information to help investors understand the nature and the risks of investing in the Fund. A key information document must be provided to investors prior to subscribing for Units so they can make an informed decision about whether to proceed.

Manager means CCLA Fund Managers Limited or such successor body corporate appointed as manager pursuant to the Scheme.

Money Laundering Regulations means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.

Net Asset Value or **NAV** means the value of the Scheme Property less all the liabilities of the Fund determined in accordance with the Scheme.

Offer price means the price at which Units may be bought by investors.

Register means the register of Unitholders maintained by the Registrar on behalf of the Trustee.

Registrar means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.

Report and Accounts means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to

the periods ending 31 December and 30 June respectively.

Scheme means the Scheme sealed by the Charity Commission on 12 July 2002 as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014 and 29 July 2014 and by an order dated 9 October 2014 and an order dated 19 October 2016.

Scheme Particulars means these rules and particulars of the Fund made under the Scheme, as amended or replaced from time to time.

Scheme Property means the investments, assets and property of the Fund.

Switch means the exchange of Units for units in another COIF Charities Fund and the act of so exchanging and “**Switching**” shall be construed accordingly.

Transfer Agent means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.

Trustee means HSBC Bank plc, or any successor body corporate appointed as trustee pursuant to the Scheme.

UK AIF refers to an alternative investment fund in the United Kingdom and has the same meaning as listed in the glossary to the FCA Regulations.

UK AIFM refers to the alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Regulations.

Unitholder means an Eligible Contributor who is registered as a holder of Units.

Unit or Units means Income Units in the Fund.

Valuation Point means the valuation point as at 11:59pm London time on the Business Day prior to each Dealing Day for the purpose of determining the price at which Units may be issued, cancelled or redeemed.

References to any statutory provision or FCA Regulations in these Scheme Particulars shall include any statutory provision or FCA Regulations which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1 Common Investment Fund

The Fund is a Common Investment Fund established and regulated by the Scheme dated 12 July 2002 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014 and 29 July 2014 and by an order dated 9 October 2014 and an order dated 19 October 2016 (as amended from time to time).

The Fund is managed by the Manager as an unregulated Collective Investment Scheme and as a UK AIF in accordance with the FCA Regulations and the AIFMD Legislation.

2.2 The Board

The Fund is subject to oversight by the Board, which has been assigned certain duties, details of which are set out in the Scheme. It meets regularly to receive reports and monitor the progress of the Fund.

The duties of the Board include (but are not limited to):

- making an annual report regarding the discharge of its responsibilities;
- a duty to inform the Charity Commission promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the Scheme or these Scheme Particulars; and
- a duty to inform the FCA promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the applicable provisions of the AIFMD Legislation.

The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. A non-executive director of the Investment Manager (or an associate) is entitled to be a member of the Board. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member offers investment advice or conducts investment business in relation to the Fund.

In safeguarding the interests of Unitholders, the Board has a number of responsibilities which include setting and subsequently advising on the investment objective and Investment Policy of the Fund, monitoring performance, the appointment and discharge of the Manager and the Trustee, appointing the Auditor to the Fund, and agreeing the fees charged by the Trustee, the Manager and the Auditor. Prior to the Trustee making any written declaration that the Fund is to be wound up, the Trustee must serve on the Board a notice of the Trustee's intention to wind up the Fund and consider the Board's representations (if any).

To the extent of those duties and powers specified in the Scheme, the Board members are charity trustees within the meaning of the Charities Act 2011.

The Board members are entitled to be paid out of the Scheme Property any reasonable costs and expenses incurred by them in carrying out their duties as a member of the Board. Such reasonable costs and expenses may be drawn from the Fund. The Manager currently pays the reasonable costs and expenses of the Board members and intends to continue to do so for the foreseeable future.

2.3 The Trustee and Depositary

The Trustee acts as a trustee of the Fund for the purposes of and pursuant to the Scheme. Pursuant to the Depositary Services Agreement and for the purposes of and in compliance with the AIFMD Legislation and the relevant FCA Regulations, the Trustee has been appointed as depositary to the Fund.

The depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the AIFMD Legislation, the relevant FCA Regulations and the terms of the Scheme.

The depositary's duties include the following: -

- Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Units have been received.
- Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that can be physically delivered to the depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.
- Ensuring that issues, redemptions and cancellations of Units are carried out in accordance with applicable law and the Scheme.
- Ensuring that the value of Units is calculated in accordance with applicable law and the Scheme.
- Carrying out the instructions of the Manager, unless they conflict with applicable law or the Scheme.
- Ensuring that in transactions involving the Fund's assets, any consideration is remitted to the Fund within the usual time limits.

- Ensuring that the Fund's income is applied in accordance with applicable law and the Scheme.

The appointment of the depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days' written notice provided that the Depositary Services Agreement does not terminate until a replacement depositary has been appointed.

The depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement.

Unitholders have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

In general, the depositary is liable for losses suffered by the Fund as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the depositary will be liable to the Fund for the loss of financial instruments of the Fund which are held in its custody. The depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

The liability of the depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate any such discharge will be notified to the Unitholders and consent will be obtained from the Manager to such delegation and discharge. At the date of these Scheme Particulars, the depositary has not discharged its liability for the safekeeping of assets in its safekeeping.

The depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary shall not be liable for any indirect, special or consequential loss.

In the event there are any changes to the depositary's liability under the AIFMD Legislation and the relevant FCA Regulations, the Manager will inform Unitholders of such changes without delay.

2.4 The Manager

CCLA Fund Managers Limited is the appointed UK AIFM and Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 8735639, whose registered address and details are shown in Appendix 1.

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference

number 611707. The Manager has permission from the FCA to act as a full scope UK AIFM. The only business activity of the Manager is the management of UK AIFs as a UK AIFM. The ultimate holding company of the Manager is CCLA Investment Management Limited.

Subject to the FCA Regulations and the AIFMD Legislation the Manager may delegate (and authorise its delegate to sub-delegate) its duties as Manager.

The Manager has delegated the provision of certain services including investment management, administration and the preparation of various reports for Unitholders to the Investment Manager and Administrator as detailed below.

The Manager's appointment may be terminated by the Board acquiring approval by the Trustee and serving written notice on the Manager.

The Manager is entitled to its pro rata fees and expenses (as provided for in the Scheme and detailed in these Scheme Particulars) to the date of termination of its appointment as Manager of the Fund and any additional expenses necessarily incurred in settling or realising any outstanding obligations.

The Manager is responsible for all the investment management and administration services in relation to the Fund set out under paragraph 17 of the Scheme. These include:

- the day to day management of the Fund including the power to buy and sell investments and to operate bank accounts and to borrow;
- the preparation of any valuations or other calculations to be made under these Scheme Particulars;
- the receipt of contributions and the satisfaction of withdrawals;
- the decision as to whether any particular asset is to be accepted as a contribution;
- the keeping of such accounts as the Trustee or the Board may require; and
- any matters incidental to the above matters.

The Manager is also responsible for the risk management of the Fund.

The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

2.5 The Investment Manager

CCLA Investment Management Limited is the appointed Investment Manager of the Fund. The Investment Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose address and details are shown in Appendix 1.

The Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281.

The Investment Manager has been appointed by the Manager pursuant to the Investment Management Agreement to provide portfolio management and administrative services to the Fund under the Investment Management Agreement. The Investment Manager also provides secretarial services to the Board.

Under the terms of the Investment Management Agreement, the Investment Manager's appointment may be terminated on three months' written notice by the Investment Manager or by the Manager, or in certain limited circumstances immediately by the Manager. The Investment Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Investment Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Investment Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Investment Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

The Manager is responsible for any fees payable to the Investment Manager and meets the fees of the Investment Manager from the Annual Management Charge the Manager receives for its services to the Fund.

2.6 The Registrar

The Trustee has appointed CCLA Fund Managers Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for the appointment to be terminated by either party giving 90 calendar days' written notice to the other. Earlier termination can only occur in specific circumstances, including a material and irremediable breach by either party.

2.7 The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix 1.

2.8 The Administrator

CCLA Investment Management Limited is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under the Investment Management Agreement and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The Administrator provides the Manager with all administrative services necessary for the management of the Fund. These include:

- the valuation of the Scheme Property in conjunction with an appointed independent External Property Valuer;
- the issue and redemption of Units; and
- the payment of distributions and the maintenance of the accounts of the Fund.

2.9 The Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix 1.

2.10 Unitholders' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Investment Manager, the Transfer Agent, the Auditor and the Administrator, whose details are set out in these Scheme Particulars (the "**Service Providers**"). No Unitholder will have any direct contractual claim against any Service Provider with respect to such Service Provider's default. This is without prejudice to any right a Unitholder may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of the Financial Services and Markets Act 2000 (as a result of a breach of the FCA Regulations by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

3. Investment Objective and Policy of the Fund

3.1 Investment Objective

The Fund aims to provide a high level of income and long-term capital appreciation.

3.2 Investment Policy

The Fund is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties but may invest in other assets, which may be either liquid or illiquid in nature.

The Fund may invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

3.3 Responsible Property Investment

The Fund is managed in line with the Investment Manager's responsible property investment policy. This integrates material environmental, social and governance issues into the investment process including pre-purchase due diligence and the ongoing management of properties in the Fund. Copies of the policy are available on request.

The Fund is also managed in accordance with CCLA's values-based screening policy.

The Investment Manager is a signatory to the United Nations backed Principles for Responsible Investment (PRI). The annual PRI assessment is available on the Investment Manager's website.

The Fund will take an active policy with regard to corporate actions and voting as required.

3.4 Comparator Benchmark

The comparator benchmark for the Fund is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index.

The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

3.5 Changes to the Investment Objective and Policy

The Board may only alter the Fund's investment objective and, subject to approval by the Board, the Manager may only alter the Investment Policy in accordance with these provisions.

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the

Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**fundamental change**" within the meaning in the FCA Regulations such an alteration may only be made following prior approval from the Unitholders by way of an extraordinary resolution (having the same meaning as when used in the FCA Regulations and following the same notice procedures for meetings of Unitholders as used in the FCA Regulations).

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**significant change**" within the meaning in the FCA Regulations such an alteration may only be made following the provision of 60 days' prior written notice to the Unitholders.

By way of guidance, the Board and/or the Manager (as appropriate) may consider the change to be significant rather than fundamental where:

- the proposed alterations do not alter the risk profile of the Fund;
- there is no change to the nature or purpose of the Fund; and
- the Unitholders are not materially prejudiced by the proposed change.

In certain limited circumstances the Board and/or the Manager (as appropriate) may decide that very minor changes to the Investment Policy and/or investment objective of the Fund (for example, those aimed at clarification of the investment objective and/or Investment Policy) would be considered a "**notifiable change**" within the meaning in the FCA Regulations. Such alterations may be made by providing Unitholders with access to an updated copy of these Scheme Particulars. All current scheme particulars for the COIF Charities Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

4. Participation in the Fund

4.1 Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of property related investments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

The Fund has direct holdings in direct property, which is inherently illiquid, and investors should take

particular note of the risk sections of this document, and the actions the Manager may have to take in stressed market conditions, such as suspending or delaying Fund dealings. The Fund also has a minimum redemption notice period of 90 days. The Fund is therefore not suitable for investors that might have a need for immediate liquidity in their investments.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

4.2 Eligible Contributors to the Fund

Any Charity in England and Wales and any appropriate body in Scotland and Northern Ireland within the meaning of the Charities Act 2011 may normally invest in the Fund, unless precluded by a specific provision in the Charity's governing instrument, provided always that such a Charity is recognised by HM Revenue & Customs as a Charity for tax purposes. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of Eligible Contributors (please see the section headed Anti-Money Laundering Requirements below).

Any Charity (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Charity to invest in the Fund. Where a Unitholder (potential or otherwise) is found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and disinvest. The Manager reserves the right to decline any application without giving any reason and to sell Units on behalf of a Unitholder if it reasonably believes that the Unitholder is no longer eligible to invest in the Fund.

4.3 Compulsory Sale of Units where a Unitholder Ceases to be an Eligible Contributor

Where a Unitholder:

- is found not to be eligible or becomes ineligible at a later date; or
- suffers a change in circumstances or is in breach of any applicable law or government rule or regulation which may affect its ability to be an Eligible Contributor,

it, or its nominee, must inform the Manager immediately and at the Manager's request must sell their Units.

As soon as the Manager becomes aware or has reasonable grounds to believe that a Unitholder no longer satisfies the requirements to be an Eligible Contributor, the Unitholder will be deemed to have submitted a sell Units form to sell all the Units held by them in the Fund and the notice period for

redemptions will be deemed to have been served. Where a Unitholder delays in informing the Manager that it has ceased to be, or may no longer be an Eligible Contributor, the Manager then has the right to treat the request to redeem Units as being made on the date on which the Unitholder's circumstances changed.

The Unitholder agrees that any proceeds of sale in relation to the Units sold as a result of the Unitholder ceasing to be an Eligible Contributor may be retained by the Manager in order to satisfy any losses suffered by the Fund as a result of the Unitholder ceasing to be an Eligible Contributor. Such losses may include, but shall not be limited to:

- any assessment for income or capital gains tax or any other tax to which the Fund would not have been assessed had the Unitholder remained as an Eligible Contributor;
- any distributions paid out to or settled in respect of the Unitholder's Units after the date on which the Unitholder ceased to be an Eligible Contributor; and
- all costs and expenses including professional fees incurred in connection with such assessment.

On the written request of the Manager any Unitholder who is required to sell their Units must:

- irrevocably appoint one or more of the directors of the Manager as its attorney to execute all instruments and other documentation required to effect a sale of its Units and the Unitholder agrees to ratify all and any acts of the attorney; and
- indemnify the Fund against all losses suffered by the Fund as a consequence of the Unitholder no longer remaining an Eligible Contributor.

If at the time a sell Units form is submitted (or is deemed to have been submitted) to the Transfer Agent, the Transfer Agent has received instructions to sell Units from one or more other Eligible Contributors, the sale of the Units held by a Unitholder who has ceased to be eligible to remain invested in the Fund will be sold in priority to all other sale requests in the queue.

In the event that dealings in the Fund are suspended any deemed or actual instructions for the compulsory sale of Units will not be frozen. In such circumstances the relevant Units will be cancelled and the Manager will make an appropriate provision for the sale proceeds due to the affected Unitholder.

Where an event occurs during a period of suspension that results in a Unitholder ceasing to be an Eligible Contributor, the Unitholder's rights to accrued income will be apportioned according to the date on which the event occurred that triggered the ineligibility.

The sale proceeds will be calculated at the Valuation Point for the next Dealing Day after the lifting of the

suspension and will be paid to the Unitholder within four Business Days of the Dealing Day.

4.4 Income Units

Eligible Contributors to the Fund may purchase Income Units. Income Units provide regular income distributions and each Unit represents one undivided share in the Scheme Property. Holders of Income Units receive income distributions quarterly. Unitholders may elect to purchase additional Income Units by reinvesting income. Additional Income Units can be purchased at the Offer price.

4.5 Registration of Units

The Register is maintained on behalf of the Trustee by the Registrar. Holdings are usually registered in the name of Unitholders (or where applicable, holdings may be registered in the name of a nominee company acting on behalf of a Unitholder). Holdings cannot be registered in the names of the individual trustees. No certificates are issued and the Register is the definitive evidence of title. The Units have no par value and entitle the holder to a proportionate interest in the Fund. Units cannot be assigned or transferred except from one Charity to another. The number of Units held will be certified on written request for audit or other purposes.

The Register may be inspected by or on behalf of Unitholders during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the Units. The Register contains the name of each Unitholder, the number of Units held and the name and address of the correspondent for each account. In addition, the Register may contain the following particulars:

- details of the nominee company acting on behalf of a Unitholder;
- client designation;
- bank account details for the remittance of distributions and withdrawals; and
- authorised signatory(ies) and the number of signatures required.

No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any Unit, and the Manager and the Trustee shall not be bound by any such notice.

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid out of the Scheme Property to the Manager.

4.6 Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether

named within the Application Form or associated with the Eligible Contributor (or who are subsequently appointed to act for the Eligible Contributor) to satisfy itself as to the identity of the Eligible Contributor and those acting on its behalf. Proof of identity may sometimes be required either when buying or selling Units from time to time, even of existing Unitholders. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process sale requests or release sale proceeds.

4.7 Fair Treatment of Unitholders

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Unitholders. Such arrangements include, but are not limited to, ensuring that no one or more Unitholders are given preferential treatment over any rights and obligations in relation to their investment in the Fund that would result in a disadvantage to any other Unitholder. All rights and obligations to Unitholders, including those related to subscription and redemption requests, are set out in the Scheme and these Scheme Particulars.

The Manager has established fair and transparent pricing models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Unitholders.

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Unitholders. The Manager has established a process for recognising and dealing with complaints fairly.

4.8 Meetings of Unitholders

Any meeting of Unitholders shall be held in accordance with the FCA Regulations, and all the provisions of the FCA Regulations shall apply to such meetings. A meeting of Unitholders duly convened and held by the Trustee may vote on a resolution:

- to approve a proposed scheme of amalgamation put forward by the Manager and the Trustee (or either of them); or
- to approve a proposed scheme of reconstruction put forward by the Manager and the Trustee (or either of them); or
- to approve fundamental changes of investment objective and Investment Policy.

A meeting of Unitholders has no other powers.

4.9 Changes to Authorised Signatories and Correspondents

A Unitholder must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Charity's holding of Units must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Charity (or the nominee company acting on behalf of the Charity) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Charity. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

4.10 Short-term or Excessive Trading and Market Timing

The Fund is designed and managed to support longer-term investment and frequent trading is discouraged. Short-term or excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or Switching of, Units, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. For these purposes, the Manager may consider an investor's trading history in the Fund or other funds managed or operated by the Manager or an associate and accounts under common ownership or control.

5. Risks

Investors should consider the following risk factors before investing in the Fund.

5.1 General Investment Risks

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other market assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. The Fund may also invest in a range of non-traditional or alternative asset classes. The valuation of these assets can vary materially from those of stock and bond markets. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the

income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a reliable indicator of future results.

5.2 Direct Property Risks

Investors should note that as the Fund is structured as an unregulated fund the FCA rules concerning 'funds investing in inherently illiquid assets ("FIIA")' do not apply. Inherently illiquid assets are defined in the FCA Regulations and include (but are not limited to): immovables, an investment in an infrastructure project, certain transferable securities and shares in another FIIA. In the event the Fund was to become regulated, it would be classified as a FIIA because more than 50% of its assets are invested in illiquid assets in the form of UK commercial property.

Pricing and Liquidity

There is a risk that the price at which an asset in the Fund is valued may not be realisable in the event of a sale. This could be due to a lack of liquidity in the market. It may also be due to a mis-estimation of the asset's value. Where this occurs, the Investment Manager may decide to postpone selling investments as to do so may have a material adverse impact on the value of the Units.

Valuation

Property and property related assets are inherently difficult to value because of the individual nature of each property. For example, a property's value may be affected by (amongst other things): (i) its location (noting that the desirability of an area may change over time), (ii) the characteristics of the building (wear and tear and advances in technology or tenant's requirements may render a building unattractive over time), and (iii) the length of a lease and creditworthiness of a tenant. As a result, valuations are open to substantial subjectivity. There is no assurance that the valuations of the properties will reflect the sale price achieved even where such sale occurs shortly after a Valuation Point.

Property Market

The value of property could adversely be affected by a downturn in the property market in terms of capital value or a weakening of rental yields. The income received (and therefore the income received by the Fund) is dependent to a large extent upon the occupancy levels of any property and the rents paid by the tenants.

Rental revenues and property values are affected by changes in the general economic climate and local conditions. Property values are dependent in particular on current rental values, prospective rental growth, lease lengths, tenant creditworthiness and the valuation yield (which is itself related to interest rates, the market appetite for property investments in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned.

Investors into the Fund should appreciate that these factors affecting the property market generally can have a direct impact on the value of the Scheme Property and the income derived thereof.

Planning laws

The value of properties can also be negatively impacted by changes in planning laws.

Counterparty risk

Additional risks may arise in the event that there is a failure by a counterparty to perform its obligations under a contract or other agreement (including failure arising from the insolvency of a tenant of a property).

Liability risk

Property ownership assumes associated risks including, without limitation, environmental and third-party liability risk the value of which may exceed the value of the property itself.

Environment risk

Environmental risk issues inherent in the ownership and management of property assets include issues that may manifest as liabilities, for example contaminated land, flood risk, presence of hazardous substances etc.

5.3 Risk Associated with Investment in Other Collective Investment Schemes

The Fund may invest in one or more Collective Investment Schemes including schemes that are managed by the Manager or affiliated companies. In some cases, these Collective Investment Schemes may be unregulated. The Fund may invest in Collective Investment Schemes and other assets which may, on occasions, be illiquid. As the Fund may invest in other funds, Unitholders may incur a duplication of fees and commissions (such as management fees (including performance fees), custody and transaction fees, other administration fees and audit fees). To the extent these Collective Investment Schemes are permitted to invest in turn in other funds, Unitholders may incur additional fees to those mentioned below.

5.4 Political Risk

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets.

5.5 Diversification Risk

The Fund is invested in direct property and assumes the property related risks outlined under 'Direct

Property Risks'. The Fund invests in UK properties only and as such is not as diversified as if it were invested across several asset classes and/or several geographical locations. Any change in legal, tax or regulatory requirements affecting the Fund, or its investments, may be amplified by this lack of diversification.

5.6 Counterparty Risk

Whilst the Investment Manager will place transactions, hold positions and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

5.7 Credit Risk

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default.

5.8 Settlement Risk

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

5.9 Concentration Risk

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

5.10 Interest Rate Risk

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in

expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

In a negative interest rate environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value.

5.11 Operational Risk

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

5.12 Cyber Event Risk

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, "**cyber-events**"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Unitholders. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Unitholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the

Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund's investments to lose value.

5.13 Liquidity Risk

The liquidity of an investment is generally considered to be a measure of how quickly it can be converted into cash without impacting its value while the liquidity of a fund is considered to be the ability to fulfil redemption requests without a price discount to the assets that are sold to meet that request.

Direct property is an illiquid investment relative to other asset classes (such as equities or bonds). Assets that comprise real property take time to sell, and when market conditions are uncertain, it can be even more difficult to find a buyer than in normal market conditions which can impact on a property's price.

Liquidity risks may crystallise due to a number of events which may have a direct impact on the valuation of the Scheme Property and the redemption of Units. For example, liquidity risks may crystallise when investors wish to redeem their Units before they fall in price during times of market stress or uncertainty. Liquidity risks may also crystallise in circumstances where a Unitholder with significant holdings in the Fund seeks to redeem all or a substantial portion of its holdings with the effect that a number of assets in the Fund need to be sold to meet the redemption request, which may take some time to sell.

The Units are intended only for long-term investment and are not suitable for money to be spent in the near future. Investments are realisable on each Dealing Day but redemptions are subject to a minimum 90 day period of notice, which may be increased up to six months in accordance with the provisions of these Scheme Particulars.

5.14 Borrowing Risk

The Fund is permitted to borrow up to 25% of the value of the Fund in order to purchase direct properties. A failure by the Fund to perform its obligations under the terms of any such loan would permit the lenders to demand early repayment of the finance and to realise any security they have over the Scheme Property. Borrowing also increases risk by magnifying capital and income performance, gains and losses. The Fund may also be affected either directly or indirectly by changes in interest rates to the extent that this affects any borrowings, or, the property market generally.

The Fund's Units are intended only for long-term investment and are not suitable for money liable to be spent in the near future. Units are realisable on each Dealing Day only, giving requisite notice.

5.15 Notice Period

Redemptions are subject to a minimum notice period of 90 days (which can be increased up to six months if so determined by the Manager). Unitholders should be aware that they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may consequently impact the Unitholder's own liquidity.

5.16 Suspension and Deferral Risk

In certain circumstances, where the Manager determines that redemption requests may not be met the rights for Unitholders to redeem Units may be suspended, as further set out in these Scheme Particulars. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may consequently impact the Unitholder's own liquidity.

The Manager is able to defer redemptions of Units (in whole or part) where the Manager considers that there is insufficient liquidity in the Fund to meet instructions to sell Units, for such period of time as the Manager considers appropriate. Unitholders should note that where deferral is applied, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may impact the Unitholder's own liquidity.

5.17 Inflation Risk

The real value of returns achieved from investment in the Fund will be affected by the rate of inflation experienced over the holding period.

5.18 Other Risks including Terrorism and Pandemic Risk

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services

provided to the Fund and materially and adversely affect its operation.

5.19 Tax Risk

The tax information provided in the "Taxation" section is based on tax law and practice at the date of these Scheme Particulars. Tax legislation, the tax status of the Manager, the Fund, the taxation of Unitholders and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

The availability and value of any tax reliefs to Unitholders will depend on the particular circumstances of individual Unitholders. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Unitholders should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

5.20 Insurance of Immovable Property

All immovable property forming part of the Scheme Property will be insured against the risk of physical loss or damage and other perils considered appropriate by the Manager. However, there is no guarantee that any or all claims on the insurance will be payable in any given circumstance. Where insurance policies do not meet any liability, in whole or in part, any outstanding liability will be met out of the Scheme Property.

5.21 Risk Factors Not Exhaustive

The risks set out in these Scheme Particulars do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5.22 Risk Management Process and Liquidity Management

The Manager employs a risk management process, including the use of appropriate stress-testing procedures, which enables it to identify, measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to redemption requests. Such tools include (but are not limited to): i) fair value adjustment, which could be applied to the properties held in the Fund in exceptional market conditions to reflect fair and reasonable prices and enable quicker sales of properties in times of increased redemption requests, ii) changing the price investors pay to buy or sell Units to reflect increased costs incurred by the Fund, for example, because of large dealing volumes, iii) deferring requests from Unitholders to sell Units to a later Dealing Day and iii) increasing the cash held by the Fund to enhance liquidity in accordance with the Investment Policy.

Other arrangements may also be used in response to redemption requests, including, in extreme cases, temporary suspension which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out in these Scheme Particulars.

6. Investment Powers, Controls and Restrictions

6.1 Investment and Borrowing Powers

Investment

Subject to the restrictions set out here and in the Scheme the Manager may invest the Scheme Property at its discretion in any kind of investment which it could make if it were absolutely entitled to the Scheme Property. The Manager must have regard to the need for diversification and suitability of investments.

The Fund's powers permit investment in:

- direct property assets in the United Kingdom, freehold and leasehold;
- the financing of the redevelopment of, or improvements to, direct property, freehold and leasehold, or the purchase of a right or interest in, or over, freehold and leasehold land;
- the shares and loan stock of property companies and joint ventures investing in direct property assets;
- property Collective Investment Schemes (including specialist property unit trusts, investment trusts and limited partnerships); and
- the COIF Charities Deposit Fund, sterling accounts with authorised banks in the United Kingdom, sterling negotiable certificates of deposit and other similar short-term money market instruments.

The Fund will maintain a suitable spread between different types of direct property and geographical

location. Consideration will be given to the property's specific location, standard of construction, quality of the tenant's covenant and the occupational lease terms preferably embodying upwards only rent reviews at intervals of not more than five years.

The Fund will not invest more than 15% of its total assets at the time of investment in any single direct property. The Fund will not invest more than 15% of its total assets at the time of investment in financing or acquiring property redevelopments at any one time. The Fund will not invest more than 5% of its total assets at the time of investment in any single property Collective Investment Scheme or any individual security of a property company or joint venture, up to a total of 15% in property Collective Investment Schemes, property companies or joint ventures as a whole.

Borrowing

1. The Fund may borrow up to 10% of the Net Asset Value of the Scheme Property temporarily for the purpose of meeting any payment properly to be made out of the Fund (other than for the purpose specified in (2) below).
2. The Fund may borrow with the prior written consent of the Board:
 - a) in the course of reinvestment of any Scheme Property comprised in the Fund;
 - b) for the purpose of the management or improvement of any property comprised in the Fund;
 - c) for the purpose of investment in direct property assets; and
 - d) for the purpose of discharging any liability properly payable out of the Fund.

Provided that the aggregate borrowing under paragraphs (1) and (2) above does not exceed 25% of the value of the Scheme Property on any Business Day.

With the prior written approval of the Charity Commission the Fund may borrow for any of the purposes set out in paragraphs (1) or (2) above notwithstanding the limits set out therein.

For further information on the Fund's borrowings please see the Leverage section below. Cash awaiting investment may be deposited with a bank or in a Common Deposit Fund.

6.2 Breach of Investment Limits

A breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Fund if the consent of the Trustee is obtained but, in the event of a breach, the Manager must then take such steps as are necessary to restore compliance with the investment limits within a reasonable period of time.

6.3 Investment in In-House Collective Investment Schemes

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds which may be operated or managed by the Manager or an associate of the Manager.

6.4 Leverage

This section explains in what circumstances and how the Manager may use leverage as defined by the AIFMD Legislation (“**Leverage**”) in respect of the Fund and the maximum level of Leverage permitted.

Leverage means any method by which the Fund increases its exposure whether through borrowing cash or securities or leverage embedded in derivative positions or any other means. The sources of Leverage which can be used when managing the Fund include cash borrowing.

Leverage may be used to facilitate the purchase of Scheme Property, but the Fund does not intend to use its borrowing powers to meet redemption requests.

The Manager is required to calculate and monitor the level of Leverage of the Fund. Leverage is expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV). The exposure of the Fund shall be calculated in accordance with the commitment method (“**Commitment Method**”) and the gross method (“**Gross Method**”).

Under the Gross Method, the exposure of the Fund is calculated as follows:

- a) include the sum of all assets purchased, plus the absolute value of all liabilities;
- b) exclude the value of cash and cash equivalents which are highly liquid investments held in the Base Currency of the Fund, that are:
 - readily convertible to a known amount of cash; and
 - are subject to an insignificant risk of change in value;
- c) derivative instruments are converted into the equivalent position in their underlying assets;
- d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- e) include exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed; and
- f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the Commitment Method, the exposure of the Fund is largely calculated in the same way as under the Gross Method; however, whilst certain cash instruments and cash borrowings are included, the exposure of derivative or security positions

employed in hedging and netting arrangements are not included in this calculation, provided certain conditions are met. These conditions aim to ensure that only those trades which offset the risks linked to other trades, leaving no material residual risk, are taken into account.

Further information regarding these different Leverage calculation methods can be found in the AIFMD Legislation and the investment risk management policy, which is available upon request from the Manager.

The Investment Manager does not actively use financial derivatives when managing the Fund.

The total amount of Leverage employed by the Fund will be disclosed in the Fund’s Report and Accounts.

The maximum levels of Leverage are as follows;

Gross Method: 125%

Commitment Method: 125%

It is not intended that the Trustee or any sub-custodian shall be entitled to re-use for its own benefit any of the Fund’s assets with which it has been entrusted.

7. Pricing of Units and Valuation of the Fund

7.1 Valuation Point

The Manager values the Scheme Property as at the Valuation Point for the purpose of determining the prices at which Units may be issued, cancelled or redeemed. The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Valuation Points.

The Manager may also, at any time during a Business Day, carry out an additional valuation of the Scheme Property for the determination of Unit prices if, after consultation with the Trustee, it is considered desirable to do so.

7.2 Valuation of the Fund

The valuation is carried out at mid-market prices at the Valuation Point. The valuation of the Scheme Property is determined as follows;

- units in a Collective Investment Scheme – if the scheme is single priced then that price will be used. If the scheme is dual priced the mid-market price will be used;
- direct property – an External Property Valuer is responsible for providing property values for the Fund. All properties are valued at the Valuation Point at open market value in accordance with the Red Book of the Royal Institute of Chartered

Surveyors (RICS). Additions to the portfolio are valued externally after acquisition;

- exchange traded securities – at mid-market prices at the Valuation Point.
- other assets – all other assets at a value which, in the opinion of the Manager, represents a fair and reasonable value based on independent inputs.

The Unit price includes the value of the income of the Fund which has not been declared as a distribution on the Dealing Day.

The amount of income to be included is the amount of income received by the Fund up to and including the Business Day before the Dealing Day, together with the amount of income accrued and including any UK tax credits to which the Fund is entitled. All expenses paid or accrued on the same basis as the income will be deducted from the income.

Further details of the Manager's valuation policy, including the use of fair value adjustment as outlined elsewhere in these Scheme Particulars, is available from the Manager upon request.

7.3 Buying and Selling Prices

The buying and selling prices of the Units are based upon the valuation of the Fund, as described above. To this valuation is added or deducted a fixed percentage of the valuation, representing the estimated transaction costs incurred in purchasing or disposing of assets. These costs are principally the difference between the bid (sell) and offer (buy) prices on the sale and purchase of assets and any associated costs.

The Manager may vary the amount of these provisions to reflect their estimate of the costs associated with any transaction. The most recent estimate of the costs and the latest Bid and Offer prices are shown on the Manager's website www.ccla.co.uk.

The Offer and Bid prices represent the buying and selling prices for Unitholders and also the creation and cancellation prices for the Trustee. No Units are held by the Manager or any other party involved in the management of the Fund other than in the capacity as a custodian or trustee for an Eligible Contributor.

7.4 Publication of Prices and Performance

Month end Unit prices for valuation purposes and Bid and Offer Unit prices are published on the Manager's website www.ccla.co.uk or can be obtained by calling 0800 022 3505 during the Manager's normal business hours. As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can deal.

The Unit prices may also appear in other third party websites or publications. The Manager does not

accept responsibility for the accuracy of the Unit prices published in, or for the non-publication of Unit prices by, these sources for reasons beyond the control of the Manager.

The Fund's past performance is set out in Appendix 2 and is also available on the Manager's website www.ccla.co.uk.

8. Dealing in Units

8.1 Application for Units

To apply for Units, the Applicant must have an active open account. An application to open (or reactivate) an account will normally take up to five Business Days provided all documents required are provided along with the Application Form. Instructions cannot be accepted until the account is active.

Dealing in Units takes place on a forward price basis. All instructions to buy Units must be received on or prior to the Dealing Deadline if they are to be processed at the Offer price to be calculated on that day. Instructions received after this time will be held over to the next Dealing Day.

Redemption instructions must be received by 5:00pm on a Business Day.

The Manager will execute purchases or redemptions on the instructions of the investor at the published Offer/Bid price at the relevant Valuation Point. Units can only be created or cancelled through the Trustee on behalf of the Fund.

8.2 The Dealing Day

There is currently one Dealing Day per month, the last Business Day of the month.

The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Dealing Days.

8.3 Minimum Initial and Subsequent Investments

The normal minimum initial investment in the Units is £10,000. Any additional amount may be invested thereafter. The Manager reserves the right to waive the minimum initial investment amount.

8.4 Buying Units

Applications for the initial purchase and all subsequent purchases of Units must be made using a completed buy Units form. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the Dealing Deadline or by opting to debit a COIF Charities Deposit Fund account in the

Unitholder's name or their nominee at the same time as the submission of the buy Units form.

Cheques, if used, must be drawn on an account in the name of the Applicant/Unitholder and made payable in the Base Currency of the Fund to **"CCLA Fund Managers Limited CMPA"**. Purchases will be processed on the relevant Dealing Day providing the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the Dealing Deadline.

Except as specified below (in the section titled Applications from nominees), applications to purchase Units can only be actioned on a particular Dealing Day if, on or prior to the Dealing Deadline:

- a correctly completed buy Units form has been received by the Transfer Agent; and
- the Trustee is in receipt of cleared funds.

Applications from nominees

Where a nominee company acts on behalf of an Applicant/Unitholder, the Transfer Agent may process an application to buy Units which has been received on or prior to the Dealing Deadline even where the Trustee is not in receipt of cleared funds.

Where the Transfer Agent has acted upon such an instruction, cleared funds must be received by the end of two Business Days following the Dealing Day. Should cleared funds not be received by this time, the Manager reserves the right to immediately redeem any Units created as a result of that instruction.

The nominee company will be responsible for any losses (including costs, expenses or other liabilities) incurred as a result of that nominee company failing to provide cleared funds by the end of two Business Days following the relevant Dealing Day. Such losses may include (without limitation) any loss sustained by the Manager or the Fund as a consequence of a fall in the price of Units and any costs sustained by the Manager or the Fund when redeeming such Units.

Provisions applicable to all applications

Bank accounts of Applicants/Unitholders should be held with a banking institution in the United Kingdom and payments made payable in the Base Currency of the Fund.

Applications to purchase, once made, are irrevocable. However, subject to its obligations under applicable law and regulation, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the Applicant/Unitholder (or nominee company, where applicable), any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the Applicant/Unitholder.

The Manager may also, at its discretion, suspend the issue of new Units if any such new issue would prevent the orderly investment of monies by the Fund.

When monies are received early, they will be banked in a client money account for investment on the next Dealing Day providing a corresponding buy Units form has been received. Interest will not be payable on these monies.

On acceptance of an application, Units will be issued at the relevant Offer price. A contract note will normally be dispatched by the end of the next Business Day following the Dealing Day. The contract note inter alia, will show certain information, such as the number of Units and the issue price. Units are issued to two decimal places.

The Manager reserves the right not to execute a transaction until the charitable status and eligibility of the Applicant has been demonstrated.

Conditional Orders

The Transfer Agent cannot accept conditional purchase or sale instructions from investors. A conditional order is one where the instruction specifically states that a purchase or sale may only proceed at a specified price, e.g. purchase £50,000 worth of the Fund Units if the Offer price is less than £5.

8.5 Selling Units

Except during periods of temporary suspension, the Transfer Agent will accept orders for the redemption of Units on any Business Day between 9:00am and 5:00pm.

All instructions to sell Units must be made using a completed sell Units form and be received by the Transfer Agent by 5:00pm on a Business Day. Redemption instructions, once received by the Transfer Agent, are irrevocable and cannot be withdrawn.

Subject to the paragraphs below regarding Deferral of Redemptions and Suspension of Dealing, requests to sell Units will be dealt with on the first Dealing Day after expiry of the required notice period (see Notice to Redeem paragraph below) and at the Bid price calculated at the Valuation Point in respect of that Dealing Day.

A contract note detailing the transaction will normally be sent out by the close of business on the next Business Day.

Proceeds of sales will be remitted to the nominated bank account of the Unitholder or be paid direct to a COIF Charities Deposit Fund account held in the name of the Unitholder. Proceeds relating to settlement of sales are usually remitted within four Business Days of the Dealing Day.

In the event funds are returned, the Manager will take reasonable steps to contact the Unitholder to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Unitholder's payment instructions being incorrect or not being kept up to date.

Proceeds that are transferred to a COIF Charities Deposit Fund account are credited with effect from the settlement date (two Business Days after the Dealing Day).

8.6 Notice to Redeem

Except in the circumstances below, Units are redeemable at the option of a Unitholder on a Dealing Day, upon at least 90 calendar days' prior written notice to the Manager. Redemption instructions, once received by the Transfer Agent, are irrevocable and cannot be withdrawn.

For the good management of the Fund and in the interest of other Unitholders, the Manager may, at its discretion, extend the notice period up to 6 months to allow for the orderly disposal of properties held within the Fund. In the event that the notice period is extended, Unitholders will be notified in writing and sales will be processed in strict order of the instructions to sell being received. The Unitholder will receive the price ruling as at the date on which the sale is processed.

The current notice period in effect for the redemption of Units is shown at www.ccla.co.uk.

8.7 Deferral of Redemptions

If on a Dealing Day the Manager considers that there is insufficient liquidity in the Fund to meet instructions to sell Units, the Manager may delay, in whole or part, the sale instructions for such period of time as the Manager considers appropriate. To the extent that sale instructions are not processed in full in respect of the relevant Dealing Day the sale instructions will be treated as being made again in respect of each subsequent Dealing Day until all the deferred sale instructions have been completed in full. The Unit price for a deferred sale will be the Unit price calculated at the Valuation Point for the Dealing Day on which the sale instruction is honoured.

If the Manager delays the processing of any sale instructions, for whatever reason, then the sale instructions will be placed in a queue and will be acted on in the following order:

1. any compulsory sale instructions (whether in whole or part) will take priority in the sale queue and will be acted on in advance of any other sale instructions irrespective of when the other sale instructions were received by the Transfer Agent;

2. sale instructions made in respect of an earlier Dealing Day will be processed in priority to those made in respect of a later Dealing Day;
3. without prejudice to (1) above, all sale instructions in respect of a particular Dealing Day shall be ranked and treated equally in priority, irrespective of the date or time such sale instructions were actually received by the Transfer Agent in respect of that Dealing Day;
4. the Transfer Agent can accept in part an instruction to sell Units and, in the event that the Transfer Agent does so, the instruction to sell Units shall be redeemed in proportion and pro rata with any other instructions to sell Units which are to be treated *pari passu* with it;
5. in the event that dealings in the Fund are suspended for any reason, the queue of sale instructions will be frozen until the suspension is lifted. After the suspension has been lifted the Transfer Agent shall process sale instructions in accordance with the provisions set out in these Scheme Particulars; and
6. in the event that a decision has been made to wind up the Fund any sale instructions which have been deferred will be acted on in priority to the deemed redemption requests that arise as a result of the decision to wind up the Fund.

Where a request for the sale of Units is deferred, the Manager will inform Unitholders in writing of the number of their Units that have not yet been processed. Other than in the case of a compulsory sale instruction, a Unitholder may, by notice in writing to the Transfer Agent, cancel the whole or part of a sale instruction that has been deferred and is in a queue to be processed. Any cancellation request will be binding on the Unitholder and any subsequent request to sell Units will be treated as a new request to sell Units.

In the event that the Manager delays the Dealing Day of the Fund on the basis that there is insufficient liquidity in the Fund to meet the sale instructions the Manager will, without disadvantaging the remaining Unitholders in the Fund, concurrently take all necessary steps to liquidate assets in the Fund to meet the instructions to sell Units.

8.8 Regular Trades

An Applicant/Unitholder may buy and sell Units at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For purchases, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document.

All sales of Units will be subject to the requirements as detailed under the Notice to Redeem section above, from the date of receipt of the instruction.

For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

8.9 Switching

A Unitholder may Switch all or some of their Units (“**Original Units**”) for units in another COIF Charities Fund (“**New Units**”).

A Switch is an exchange of Units for units in another COIF Charities Fund.

The number of New Units issued to a Unitholder following a Switch will be determined by reference to the price of the Original Units at the relevant Valuation Point relative to the price of the New Units at the relevant valuation point of the other COIF Charities Fund.

Unitholders are required to provide written instructions to the Transfer Agent before the Switch is effected. Moreover, a Switch to another COIF Charities Fund will require the Unitholder to confirm that they have received, read and understood the Key Information Document for the relevant fund.

Whilst Switches between the COIF Charities Funds are permitted at any time, Switches involving the Fund can only be undertaken on the last Business Day of the month (the Fund’s Dealing Day).

8.10 Exchanging Existing Property for Units and In-specie Redemptions

The Manager may accept a transfer of property into the Fund in exchange for Units but only if it is judged by the Manager to be in the best interests of existing Unitholders. An External Property Valuer nominated by the Manager, and independent of the investor and Manager, shall produce a valuation of the property which an investor has offered to exchange for Units at the expense of the investor. The property will be valued in accordance with the RICS Appraisal and Valuation Standards. If accepted, the exchange would be made at the open market value of the property and at the Net Asset Value of the Units issued. In general, the costs of the conveyance shall be borne by the investor by deduction from the value of the property being exchanged for Units. Such costs will include valuation and legal costs and disbursements of the investor and the Fund. However, the Manager (acting in consultation with the Trustee) may agree at their discretion to contribute towards the costs of the conveyance (including but not limited to legal and valuation costs) where they believe it is in the interests of the Fund to do so. The Manager has absolute discretion as to which properties it will accept.

Where a Unitholder makes an application to sell Units the Manager may, with the agreement of the Trustee and in consultation with the redeeming Unitholder, arrange to transfer Scheme Property out of the Fund in place of payment in cash for the Units, but only if it is judged by the Manager not to disadvantage the remaining Unitholders. The value of the Scheme Property being transferred out of the Fund in place of cash will be determined by the Manager by reference to the value of the Scheme Property at the most recent Valuation Point, unless the Manager, after consultation with the Trustee, considers it to be desirable to carry out an additional valuation. If accepted, the exchange will be made at the value of the Scheme Property being transferred out, calculated in accordance with this paragraph and the Net Asset Value of the Units being redeemed, plus any applicable costs (for example the costs of conveyance).

In general, the costs of the conveyance shall be borne by the Unitholder by:

- deduction from the value of the property where a property is being exchanged for Units; or
- addition to the value of the Scheme Property being transferred out where Units are being redeemed in exchange for Scheme Property.

Such costs will include valuation and legal costs and disbursements of the Unitholder and the Fund. In the event that the costs of conveyance together with the value of the Scheme Property being transferred out of the Fund exceed the Net Asset Value of the Units held by the Unitholder, the Unitholder will make a payment in cash to the Fund for the difference. However, the Manager (acting in consultation with the Trustee) may agree at their discretion to contribute towards the costs of the conveyance (including but not limited to legal and valuation costs) where they believe it is in the interests of the Fund to do so. The Manager has absolute discretion as to which direct properties it will accept into or transfer out of the Fund.

8.11 Trustee’s Refusal to Issue or Cancel Units

The Trustee has the power to refuse to issue or cancel Units where:

- a) the Trustee is of the opinion that it is appropriate to do so; or
- b) the Trustee considers that there may be an issue with the Manager’s ability or competence to continue as the Manager of the Fund; or
- c) on receipt of instructions from the Manager to issue or cancel Units, the Trustee is of the opinion that such action would result in a breach of law or regulation; or
- d) the Applicant may be ineligible for the Fund; or
- e) there may be potential detriment to the Fund; or
- f) it is not in the interests of Unitholders that:
 - Units should be issued; or

- Units should be cancelled; or
- Units should be issued or cancelled in the number requested by the Manager.

In all the cases where the Trustee refuses to issue or cancel Units the Trustee must give notice to the Manager that the Trustee refuses to issue or, as the case may be, cancel, all, or a specified number of, the Units.

On giving such a notice the Trustee is relieved of the obligation to issue or cancel the number of Units to which the notice relates.

8.12 Suspension of Dealing

Suspension in exceptional circumstances

The Manager may, with the prior agreement of the Trustee, and shall, if the Trustee so requires, temporarily suspend the issue, cancellation, buying and selling of Units if the Manager or the Trustee is of the opinion that due to exceptional circumstances there is good and sufficient reason to do so, having regard to the best interests of the Unitholders. During a period of suspension, no Units may be bought or sold.

The Manager will notify the Unitholders in writing of the suspension as soon as reasonably practicable after the suspension commences. The Manager will review the grounds for the suspension every 28 days to ensure that the suspension only continues for so long as it is justified. Unitholders will be informed of the outcome of this review.

Suspension during periods of material valuation uncertainty

The Manager with the agreement of the Trustee may temporarily suspend the issue, cancellation, buying and selling of Units where the External Property Valuer has expressed material uncertainty about the value of one or more immoveables under management, and that material uncertainty applies to at least 20% of the value of the Scheme Property.

Alternatively, dealing in Units may continue during a period of material valuation uncertainty where the Manager and the Trustee agree that dealing should continue and the Manager and the Trustee have a reasonable basis (not solely reliant on a fair value price adjustment) for determining that the suspension of the Fund would not be in the best interests of the Unitholders.

The Manager and the Trustee may agree to resume dealings in Units as soon as reasonably practicable after the External Property Valuer's material uncertainty assessment applies to less than 20% of the value of the Scheme Property.

Pricing after a suspension

Once the suspension has been lifted the Manager expects Units to be priced at the Valuation Point for the next Dealing Day.

Compulsory sales of Units during periods of suspension

During a period of suspension any application for the compulsory sale of Units will not be frozen. The Units will be cancelled and the Fund will maintain and hold a suitable provision for the amount due to the redeeming Unitholder. The sale proceeds will be calculated using the Unit price at the Valuation Point for the next Dealing Day after the suspension has been lifted.

Application to sell Units during periods of suspension

If dealing in the Fund is suspended for any reason, any application to sell Units (other than for Units which are being compulsorily redeemed) will be frozen until such time as the suspension of dealing is lifted. After the suspension has been lifted the Transfer Agent shall process redemption instructions in accordance with the provisions set out in these Scheme Particulars.

8.13 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("**CASS**") where it holds client money (as defined by CASS).

Client money typically arises during the creation and redemption processes where a Unitholder passes money to the Manager for the purpose of investing in Units or the Manager passes money due to the Unitholder as the result of the redemption of Units. All subscriptions are received into a client money account and all redemptions are passed into, and paid from, a client money account. Unitholders should note that in their dealings in Units the Manager is responsible for arranging for the issue and the cancellation of the Units.

Money received for subscription or redemption of Units:

Any money which is received by the Manager prior to investment in the Fund or following a redemption of Units will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Unitholders' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance

with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Unitholder.

Insolvency of the third-party bank holding client

money: If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the investors against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the amount of client money held with the bank and any client money claimed by the Manager on behalf of investors. In these circumstances, investors will share that shortfall with all other clients in proportion to their respective claims, and investors may not receive back all the client money due to them.

8.14 Execution Services

In accordance with the FCA Regulations, the Investment Manager must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund and must establish and implement an order execution policy to allow it to obtain the best possible result and to ensure that all sufficient steps are taken to act in the Unitholders' best interests in line with its treating customers fairly policy.

The Investment Manager's order execution policy sets out the basis upon which the Investment Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations in relation to execution. Details of the order execution policy are available on the Manager's website www.ccla.co.uk. A copy will also be made available on request.

9. Distributions to Unitholders

9.1 Quarterly Distribution

Distributions are calculated quarterly on the last Business Day of each calendar quarter, being March, June, September and December (the "**Ex-dividend date**").

The distribution is based upon undistributed income received and receivable to each quarterly date less any costs and expenses for the period and subject to flows to or from the Income Reserve Account (see below).

Distributions in respect of the preceding quarter are usually paid on the last Business Day of the second calendar month following the Ex-dividend date, being May, August, November and February.

Monies will be paid directly to a bank account held in the name of the Unitholder (or a nominee company acting on behalf of the Unitholder) or paid into a COIF Charities Deposit Fund account in the name of the Unitholder (or nominee company acting on behalf of the Unitholder).

In addition, if a distribution made in relation to any Income Units remains unclaimed over the subsequent three accounting periods for which distributions are made for those Units, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Units remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

Changes in tax law and regulations may affect the basis of calculation and payment of distributions.

9.2 Income Reserve Account

Each quarter income may be transferred to an Income Reserve Account which reduces the amount available for distribution in respect of that quarter, or income can be transferred from the Income Reserve Account to the Distribution Account, which increases the amount available for distribution. The Income Reserve Account is used to even out fluctuations in income available for distribution which may arise from time to time. The amount held in the Income Reserve Account forms part of the capital of the Fund and is included in the price of Units until it is used in the payment of a distribution. Additionally, where there is a balance brought forward on the Income Reserve Account new Unitholders are acquiring a right to a proportion of the income reserve, and those selling are giving up the right to the income reserve of the Fund.

9.3 Equalisation

The first allocation of income within a distribution to which a Unitholder is entitled, following the purchase of Units, is calculated as if the purchase had been made at the beginning of the quarter. The distribution will therefore include that part of the purchase price consisting of income from the beginning of the quarter to the date of purchase.

10. Reporting

10.1 Regular Statements

Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

10.2 Report and Accounts of the Fund

The Report and Accounts of the Fund are normally prepared for the half year to 30 June (unaudited) and the year to 31 December (audited).

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and the half-yearly Report and Accounts for the period to 30 June (the interim accounting date) within six months of the end of the relevant period.

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management. The Report and Accounts will also include details of any change to the Fund's use of Leverage and further disclosures required by the AIFMD Legislation.

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

11. Complaints and Compensation

11.1 Complaints

The Manager has established a complaints policy to investigate complaints received.

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix 1.

Unitholders who are eligible complainants (as defined in the FCA Regulations) may have the right to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Unitholder. The address, telephone number and website of the FOS is shown in Appendix 1.

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

11.2 Compensation

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it has acted on the instructions of the Unitholder (or nominee company acting on behalf of the Unitholder) in accordance with the mandate.

In certain circumstances a Unitholder may be entitled to protection from the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. However, please be aware that the compensation limits from the FSCS apply at a firm level. This means, for example, that if the Manager cannot meet its obligations and a Unitholder has investments in

more than one CCLA fund (and each fund is eligible under the FSCS), then it is likely that the maximum amount that would be protected would be £85,000, provided the Unitholder is eligible to claim.

For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

12. Charges and Expenses

12.1 Remuneration and Expenses of the Trustee

The Scheme provides for the remuneration of the Trustee out of the Scheme Property by way of a periodic charge (plus VAT, if applicable and if any), and the reimbursement of expenses (including VAT, if applicable and if any) properly incurred by the Trustee. The rate of the Trustee's periodic charge is to be agreed in writing with the Board from time to time.

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

- delivery of securities to the Trustee;
- custody of assets;
- collection of income;
- submission of tax returns;
- handling of tax claims;
- preparation of the Trustee's annual report; and
- such other duties as the Trustee is required or empowered by law to perform.

The maximum periodic charge that may be made by the Trustee, subject to the prior written approval of the Charity Commission, is 0.10% per annum, (plus VAT, if applicable and if any), of the value of the Scheme Property and £1,000 (plus VAT, if applicable and if any), for each direct property acquisition or disposal made by the Fund.

The actual periodic charge agreed with the Board is a flat fee of £36,000 per annum.

The periodic charge (plus VAT, if applicable and if any), accrues daily to the Scheme Property and is payable monthly in arrears.

Any increase in the actual or maximum amount of the periodic charge made by the Trustee shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

In addition to the periodic charge the Trustee is entitled to a transaction fee of £250 (plus VAT, if applicable and if any) for each direct property acquisition or disposal made by the Fund.

12.2 Remuneration and Expenses of the Manager

The Manager is entitled to an Annual Management Charge to be paid out of the Scheme Property. The maximum charge that may be made by the Manager on the Fund, subject to the prior written approval of the Charity Commission, is 1.5% per annum of the Net Asset Value of the Scheme Property (plus VAT, if applicable).

The Annual Management Charge has been agreed by the Board and approved by the Charity Commission. Currently the charge is 0.65% (plus VAT, if applicable) per annum of the Net Asset Value of the Scheme Property. The Annual Management Charge accrues daily and is calculated based on the valuation of the Fund as at the Valuation Point of each preceding month. The accrued Annual Management Charge is paid from the Fund monthly.

The Annual Management Charge will be paid 100% from capital. The policy of taking the Annual Management Charge from capital could lead to capital erosion. However, it should not change the overall return on the Fund, taking capital and income together.

Where applicable, to avoid double charging, rebates of charges on holdings in the other funds managed or operated by the Manager or an associate are calculated and applied to the Fund. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

Any increase in the actual or maximum amount of the Annual Management Charge shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

12.3 Preliminary Charge

The Scheme provides for a preliminary charge to be included in the price at which Units may be purchased, out of which the expenses and remuneration of the Manager may be paid. No preliminary charge is currently levied.

The introduction of a preliminary charge and any increase in the actual or maximum amount of a preliminary charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.4 Redemption Charge

The Scheme provides for a redemption charge to be included in the price at which Units may be sold, out of which the expenses and remuneration of the Manager may be paid. No redemption charge is currently levied.

The introduction of a redemption charge and any increase in the actual or maximum amount of a redemption charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.5 Inducements

In accordance with the FCA Regulations, the Manager when executing orders or placing orders with other entities in relation to financial instruments for execution on behalf of the Fund must not accept and retain any fees, commission or monetary benefits from a third party.

The Manager must not accept any non-monetary benefits when executing orders or placing orders with other entities for execution in relation to financial instruments on behalf of the Fund, except those which are capable of enhancing the quality of the service provided to the Fund, and which are of a scale and nature such that they could not be judged to impair the Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Fund.

12.6 Research

Certain brokers may from time to time provide research services to the Investment Manager which are used by the Investment Manager in its management of the Fund. The costs and expenses for such research services will be borne by the Investment Manager.

12.7 Other Expenses

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

- a) agent's acquisition and disposal fees;
- b) fees on lease renewal, letting, rent review and head lease/lease renegotiation, rating and planning advice, landlord's repairs and improvements, surrender payments and premiums received from tenants;
- c) project management fees, building surveyor fees, other specialist advisers' fees including those incurred in dilapidation negotiations;

- d) the cost of preparing, publishing and sending Report and Accounts and Unitholder communications;
- e) valuation, insurance and performance measurement fees;
- f) fees for independent risk assessments, for health and safety or environmental purposes;
- g) solicitors fees;
- h) property valuer costs;
- i) brokers' commission (where such payment may be made in accordance with the FCA Regulations), fiscal charges and other disbursements which are:
 - necessary or properly to be incurred in effecting transactions for the Fund;
 - normally shown in contract notes, confirmation notes, and margin accounts as appropriate;
- j) interest on borrowing permitted by the Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing;
- k) taxation and duties payable in respect of the Scheme Property, the Scheme or the issue of Units, if applicable;
- l) any costs incurred in modifying the Scheme, where modification is:
 - necessary to implement, or necessary as a direct consequence of, any changes in the law; or
 - expedient having regard to any change in the law made by or under any fiscal enactment; or
 - to remove obsolete provisions from the Scheme; or
 - agreed by the Manager and Trustee to be in the interest of Unitholders.
- m) liabilities on a unitisation, amalgamation or reconstruction arising in certain circumstances;
- n) the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor and the fees of Investment Property Databank or any other benchmark authority;
- o) the proper expenses of the Board.
- p) the fees of any relevant regulatory authority in a country or territory in which Units are or may be marketed;
- q) any costs incurred through purchasing and holding third-party funds; and
- r) such other fees or expenses as may from time to time be agreed with the Trustee and depositary.

13. Conflicts of Interest

13.1 Conflicts of Interest Policy

The Manager and Investment Manager operate a conflicts of interest policy to ensure that their clients are treated fairly. The policy seeks to avoid circumstances which they consider may give rise to

potential conflicts of interest and materially disadvantage their clients. It describes the controls and arrangements for preventing the Manager, the Investment Manager and their staff from:

- favouring one client over another;
- making a financial gain, or avoiding a financial loss, at the expense of the client;
- favouring a member of staff over a client;
- providing to (or receiving from) a person other than the client, an inducement in relation to a service provided to the client, in the form of a financial interest;
- market abuse and disclosing confidential information;
- giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;
- favouring one of the Investment Manager's owners at the disadvantage of its clients;
- not disclosing the Investment Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and
- not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

13.2 Trustee and Depositary Conflicts of Interest

From time to time actual or potential conflicts of interest may arise between the depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Fund, the Unitholders or the Manager on the one hand and the depositary on the other hand. For example, such actual or potential conflict may arise because the depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund or the Manager and from which fees and profits in relation to the provision of those products or services may arise and from which the depositary may benefit directly or indirectly. In addition, the depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other

clients whose interests may conflict with those of the Fund, the Unitholders or the Manager.

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the Scheme Property. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provide broking services to the Fund and/or to other funds or companies; act as financial adviser, banker, derivatives counterparty or otherwise provide services to the issuer of the investments of the Fund; act in the same transaction as agent for more than one client; have a material interest in the issue of the investments of the Fund; or earn profits from or have a financial or business interest in any of these activities.

The depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

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

13.3 Material Interests and Conflicts

The Manager, the Investment Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

The Trustee may, from time to time, act as trustee of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations and the AIFMD Legislation, ensure that the performance of their respective duties will not be impaired by any such involvement.

The Fund has the power to invest in other funds operated or managed by the Manager or an associate of the Manager and a rebate of charges is made to ensure no double charging of the management fee. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

The Manager operates a client relationship management service to offer suitable support to Charities. It should be noted that this service is associated with the COIF Charities Funds and that the COIF Charities Investment Fund owns 22.37% of the share capital of the Investment Manager as at 31 December 2022.

14. Taxation

14.1 General

The Fund has charitable status and is not liable to UK tax on gains arising on disposal of investments or on income from investments. It is exempt from Stamp Duty Land Tax on its property purchase transactions and from Stamp Duty and Stamp Duty Reserve Tax on the purchase of securities.

The Fund's quarterly income distributions are paid gross without any deduction of tax as all the Unitholders have charitable status and are entitled to receive such payments without deduction of tax, provided they are used for Charitable Purposes.

Distributions are paid and reinvested income is credited gross to Unitholders on the basis that all UK taxation has been both reclaimed and recovered. Overseas income is credited net and any overseas withholding tax is credited to income when it is recovered. No deductions in respect of tax are made with regard to income distributions or income passed to capital.

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

This is the Manager's understanding of the tax position as of the date of these Scheme Particulars. The tax position may change in the future. Unitholders should obtain their own tax advice in respect of their own position. Unitholders will be notified in writing with regards to any material changes in the tax position of the Fund.

15. Termination

15.1 Winding Up

If, upon consideration of the Board's representations (if any), the Trustee remains of the opinion that a winding up of the Fund is expedient in the interests of the Unitholders, the Trustee may execute a written declaration that the Fund is to be wound up, and if it does so, the Trustee shall send copies of the declaration to the Charity Commission, the Manager and the Board and publish it as the Charity Commission may direct.

Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Unitholders will be deemed to have submitted a sell Units form to sell their Units to the Manager.

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Unitholders pro rata to their holdings.

Any sell Units forms already received by the Transfer Agent to sell Units in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed sales that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to sell have been processed the Scheme Property will be distributed to the remaining Unitholders on a pro-rata basis according to the number of Units held by them in the Fund. The Manager has discretion to make in-specie redemptions in place of payments in cash.

In the event of winding up, any amount in the Income Reserve Account is distributed at the discretion of the Trustee.

16. General Information

16.1 Data Protection

The Manager is a data controller and the Transfer Agent is a data processor in accordance with the Data Protection Legislation and both will hold personal data about each Unitholder's representatives (referred to below as "**representatives**") that has been supplied to the Manager or Transfer Agent (whether by the representative, a Unitholder or otherwise) as set out in the Manager's Privacy Notice. Each Unitholder agrees to ensure that the contact details and other personal data provided for it and its representatives to the Manager and Transfer Agent remains up to date at all times.

The Unitholder acknowledges that the Fund may invest in investment schemes operated and managed by the Manager and/or by third parties (referred to below as "**investment schemes**") and that the Manager may need to pass data, including personal data regarding the representatives, to those investment schemes. The Manager will not pass on any personal data to any other third party or permit the investment schemes to pass the personal data to third parties except: (i) where, in relation to the performance of its services to the Unitholder, the Manager (or the investment scheme) sub-contracts part of the services or any support services; (ii) as agreed by the Unitholder; or (iii) where required to

do so for legal or regulatory purposes as set out in the Manager's Privacy Notice.

The Manager (and the investment schemes) may keep records of all business transactions for at least seven years. Unitholders have a right to inspect copies of contract notes and entries in the Manager's books or computerised records relating to their transactions. Their representatives also have certain rights under applicable Data Protection Legislation, including the right to access copies of their personal data and change the permissions given in respect of the processing of it. The Manager will treat all Unitholders' records as confidential and so reserves the right to provide copies of the Unitholder/representative's particular record, rather than allow access to files which may contain information about other Unitholders. Requests to access the above records/personal data or to exercise any other rights under applicable Data Protection Legislation should be directed to The Data Protection Adviser at the Manager's office, One Angel Lane, London EC4R 3AB.

16.2 Title Documents to Scheme Property

The Trustee has appointed Hogan Lovells International LLP, whose registered address is shown in Appendix 1, to hold in safekeeping the deeds, leases and other documents relating to the properties situated in England that are owned by the Fund.

The Trustee has appointed DLA Piper, whose registered address is shown in Appendix 1, to hold in safekeeping the deeds, leases and other documents relating to properties situated in Scotland that are owned by the Fund.

The Trustee may review these arrangements from time to time.

16.3 Telephone and Electronic Communications

Please note the Manager and Transfer Agent may record telephone calls for training and monitoring purposes and to confirm instructions.

16.4 Amending these Scheme Particulars

These Scheme Particulars may be updated or amended by the Manager from time to time, subject where applicable to the approval of the Board or the Charity Commission where necessary as set out in the Scheme and these Scheme Particulars, and in relation to any changes to the investment objective and Investment Policy only in accordance with the provisions dealing with such changes as set out above in these Scheme Particulars.

The approval of the Board is necessary where the Manager seeks to amend the investment objective or Investment Policy, or where the Manager wishes to

enter into a course of borrowing in excess of 10% of the Net Asset Value of the Scheme Property.

The approval of the Charity Commission is required in the following circumstances:

- if it is proposed that the fees of the Manager or the Trustee be increased; or
- if any amendment is proposed that modifies or relaxes any duty to account to the Fund which may result from a conflict of interest or duty on the part of the Trustee, Manager or other person.

The Manager will endeavour to give Unitholders 30 days' notice of changes to the Scheme Particulars save in respect of any proposed increase in the fees of the Manager and/or Trustee when a minimum of 90 days' prior notice is required to be given under the Scheme. For changes other than changes to the fees of the Manager and/or Trustee, in some circumstances it may not be possible to give 30 days' notice when changes are required for regulatory or other reasons.

16.5 Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

16.6 Acceptance of Terms and Conditions

By completing the Application Form the Applicant acknowledges and accepts the terms and conditions set out in these Scheme Particulars and the Scheme and agrees to be bound by them.

16.7 Applicable Law and Jurisdiction

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules the latter shall prevail.

These Scheme Particulars summarise the terms on which the Fund operates. For further information as to the terms on which Units are issued, reference should be made to the Scheme which is available upon request from the Manager.

By applying for Units, a Unitholder acknowledges that it will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Unitholder's investment in the Fund or any related material.

16.8 Additional Information

A Unitholder is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

The Manager will make available copies of the Scheme Particulars, Key Information Document, factsheet and annual and half yearly Report and Accounts on its website www.ccla.co.uk. Alternative formats of these documents are available upon request from clientservices@ccla.co.uk.

If a hard copy or an email copy of any of these documents or the Scheme is required, please contact Client Services on 0800 022 3505.

Appendix 1 – Directory

Trustee and Depositary

The Trustee and depositary of the Fund is HSBC Bank plc which is a public limited company, incorporated in England and Wales. It is a 100% subsidiary of HSBC Holdings plc, incorporated in England with limited liability. Its principal business is banking. The Head Office, which is also the registered office, is at 8 Canada Square, London E14 5HQ.

Manager

The Manager of the Fund is CCLA Fund Managers Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. The Manager is authorised by the FCA as a full scope UK AIFM and is entered on the FCA's register under reference number 611707.

The main business activity of the Manager is the management of unregulated and regulated Collective Investment Schemes in the form of UK AIFs.

CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited. Registered office at One Angel Lane, London EC4R 3AB.

Incorporated on 16 October 2013.

Directors of CCLA Fund Managers Limited are:

J. Bailie (Chairman)*

D. Sloper

E. Sheldon

J. Berens

N. McLeod-Clarke*

(* indicates a Non-Executive Director)

The Manager also manages the COIF Charities Ethical Investment Fund, the COIF Charities Global Equity Fund, the COIF Charities Short Duration Bond Fund, the COIF Charities Investment Fund and the COIF Charities Deposit Fund.

CCLA Fund Managers Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

Investment Manager

The Investment Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at One Angel Lane, London EC4R 3AB.

The Board of the Fund

The members of the Board are:

K. Corrigan

J. Hobart

N. Morecroft (Chairman)

A. Watson

C. Ong

Administrator

The Administrator of the Fund is CCLA Investment Management Limited.

Registrar

The Registrar of the Fund is CCLA Fund Managers Limited. The Register may be inspected at the registered office of CCLA Fund Managers Limited during normal business hours by a Unitholder or any Unitholder's duly authorised nominee/agent.

Transfer Agent

The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

Auditor

The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

Address for Complaints

Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, One Angel Lane, London EC4R 3AB or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

Unitholders who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR (telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

Property Valuer

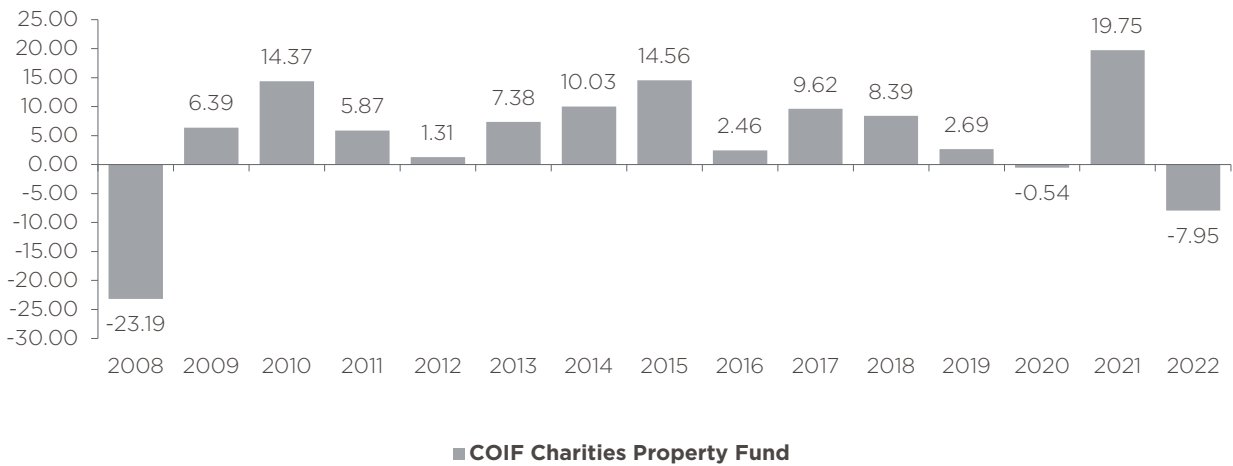
The property valuer of the Fund is Knight Frank, 55 Baker Street, London W1U 8AN.

Property Lawyers

The property lawyers of the Fund are Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG and DLA Piper Scotland LLP, Collins House, Rutland Square, Edinburgh EH1 2AA.

Appendix 2 – Past Performance

The performance below is shown net of all Fund charges and expenses. It has been calculated in the Base Currency of the Fund.



The Fund launched in August 2002. Past performance is not a reliable indicator of future results.

Appendix 3 – Investment Policy Statement

This Investment Policy Statement is provided in accordance with clause 51.4 of the Scheme. It should be read in conjunction with these Scheme Particulars. The Investment Policy of the Fund is designed to meet the investment objective of the Fund and is made and reviewed by the Manager.

Investment Objective

The Fund aims to provide a high level of income and long-term capital appreciation.

Investment Policy

The Fund is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties but may invest in other assets, which may be either liquid or illiquid in nature.

The Fund may invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

Comparator Benchmark

The comparator benchmark for the Fund is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index.

The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of property related investments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund.

Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Balance between different kinds of Investment

The balance between the different kinds of investment will be established by reference to the sector allocation of the comparator benchmark and the Manager's judgement of the future returns likely to be obtained on each type of property. To mitigate risk, the differences will be regularly monitored and reviewed by both the Manager and the Board.

Risk

The nature of the Fund is to be exposed to a number of risks as detailed in the Risks section of these Scheme Particulars. This means that the Unit price may fluctuate. Risk will be managed to the extent possible by diversification across a number of sectors and where possible, within each sector, and by following controlled administrative procedures.

Projected return

The Fund expects to provide a high income to investors, derived from the rent paid on its direct property investments, which may grow as higher rental levels are achieved. The future capital return, which may be negative, cannot be projected as it is dependent upon the level of demand for investment properties and the rate of economic growth.

The Realisation of investments

The Fund will be actively managed, which means that properties will be sold by the Investment Manager for both property specific and sector allocation reasons in furtherance of the Investment Policy.

CCLA Fund Managers Limited

One Angel Lane
London
EC4R 3AB

Freephone 0800 022 3505
clientservices@ccla.co.uk

www.ccla.co.uk

CCLA Fund Managers Limited (registered in England & Wales No. 8735639) is authorised and regulated by the Financial Conduct Authority.

CCLA

BECAUSE GOOD IS BETTER

COIF Charities Ethical Investment Fund

Scheme Particulars

Scheme Particulars

COIF Charities Ethical Investment Fund

Effective from 20 November 2023

Issued by CCLA Fund Managers Limited (the “**Manager**”)

A copy of this document, which constitutes Scheme Particulars for the COIF Charities Ethical Investment Fund (the “**Fund**”), established and regulated by a Scheme dated 8 October 2009 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 21 July 2014, 22 July 2014, 5 December 2015 and 15 May 2017 (the “**Scheme**”), and adopted by the Manager on 22 July 2014 has been filed with the Charity Commission. The Fund is registered with the Charity Commission under Charity Registration Number 1132054.

Should the provisions of the Scheme and the Scheme Particulars be in conflict, the provisions of the Scheme shall prevail.

Any person relying on the information contained in this document, which was current at the date shown

above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in these Scheme Particulars are true, clear and not misleading, Unitholders and/or potential Unitholders should not treat these Scheme Particulars as advice relating to their own legal, tax or investment position. If a Unitholder or potential Unitholder is in any doubt as to the meaning of any information contained in these Scheme Particulars, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1 Definitions

Accumulation Units means those Units where distributions are reinvested and reflected in the Unit price.

Administrator means HSBC Bank plc, or such successor entity appointed as administrator by the Manager from time to time.

Advisory Committee refers to the ethical advisory group, predominantly formed of clients and appointed by the Manager, who provide advice on the implementation of the Fund's ethical investment policy.

AIFMD Legislation refers to the Alternative Investment Fund Managers Regulations 2013, the Alternative Investment Fund Managers Directive 2011/61/EU and the Commission Delegated Regulation (EU) 231/2013 as applied in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11:00pm on 31 January 2020.

Annual Management Charge means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.

Applicant means a Charity (or nominee company acting on its behalf) which is applying for an account.

Application Form means the application form to open an account available from the Manager's website.

Auditor means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.

Base Currency means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.

Board means the persons appointed pursuant to the Scheme and as further described in these Scheme Particulars.

Business Day means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.

Charitable Purposes bears the meaning as set out in section 2 of the Charities Act 2011.

Charity means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an "appropriate body" in Scotland and Northern Ireland within the meaning of section 97(3) of the Charities Act 2011.

Charity Commission means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.

Collective Investment Scheme means a collective investment scheme as defined by section 235(1) of the Financial Services and Markets Act 2000.

Common Deposit Fund means a common deposit fund established under section 100 of the Charities Act 2011.

Common Investment Fund means a common investment fund established under section 96 of the Charities Act 2011.

Conversion means the exchange of Income Units for Accumulation Units or vice versa and the act of so exchanging and "**Convert**" shall be construed accordingly.

Data Protection Legislation means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislations thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.

Dealing Day means each Business Day.

Dealing Deadline means 11:59am London time on a Dealing Day, or as otherwise determined by the Manager.

Depository Services Agreement means the agreement dated 21 July 2014 entered into by the Trustee, the Board and the Manager in relation to the depository services the Trustee provides to the Fund (as amended, supplemented or replaced from time to time).

Distribution Account means an account as provided for in the Scheme for the purpose of holding income to be distributed to Unitholders.

Eligible Contributor means a Charity (or nominee company acting on its behalf) which is and continues to be eligible to hold Units.

Equalisation means an adjustment to the price of the Units to reflect the fact that investors buying Units part way through the Fund's accounting period are not entitled to all the income earned in respect of those Units over that period.

FCA means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.

FCA Regulations means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.

Forward Foreign Exchange Contract means a binding contract in the foreign exchange market that locks in the exchange rate for the purchase or sale of a currency on a future date.

Fund means the COIF Charities Ethical Investment Fund.

Group has the same meaning as listed in the glossary to the FCA Regulations.

Income Reserve Account means an account in respect of the Fund for the purpose of evening out the amount of income distributed.

Income Units means those Units which pay distributions to Unitholders.

Investment Committee means the body responsible for the oversight of the Investment Manager's investment processes and activities.

Investment Management Agreement means the agreement dated 22 July 2014 between the Manager and the Investment Manager delegating the portfolio management of the Scheme Property to the Investment Manager (as amended, supplemented or replaced from time to time).

Investment Manager means CCLA Investment Management Limited.

Investment Policy means the investment policy as decided in the Investment Policy Statement from time to time.

Investment Policy Statement means the investment policy statement set out in these Scheme Particulars as amended from time to time.

Key Information Document means the document published for the Fund which contains information to help investors understand the nature and the risks of investing in the Fund. A key information document must be provided to investors prior to subscribing for Units so they can make an informed decision about whether to proceed.

Manager means CCLA Fund Managers Limited or such successor body corporate appointed as manager pursuant to the Scheme.

Money Laundering Regulations means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.

Net Asset Value or **NAV** means the value of the Scheme Property less all the liabilities of the Fund determined in accordance with the Scheme.

Register means the register of Unitholders maintained by the Registrar on behalf of the Trustee.

Registrar means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.

Report and Accounts means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to the periods ending 31 December and 30 June respectively.

Scheme means the Scheme sealed by the Charity Commission on 8 October 2009 as amended by resolutions of the charity trustees of the Fund dated 21 July 2014, 22 July 2014, 5 December 2015 and 15 May 2017.

Scheme Particulars means these rules and particulars of the Fund made under the Scheme, as amended or replaced from time to time.

Scheme Property means the investments, assets and property of the Fund.

Switch means the exchange of Units for units in another COIF Charities Fund and the act of so exchanging and "**Switching**" shall be construed accordingly.

Transfer Agent means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.

Trustee means HSBC Bank plc, or any successor body corporate appointed as trustee pursuant to the Scheme.

UK AIF refers to an alternative investment fund in the United Kingdom and has the same meaning as listed in the glossary to the FCA Regulations.

UK AIFM refers to the alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Regulations.

Unitholder means an Eligible Contributor who is registered as a holder of Units.

Unit or Units means units in the Fund which may be Income Units or Accumulation Units.

Valuation Point means the valuation point as at 12:00 noon London time on each Dealing Day for the purpose of determining the price at which Units may be issued, cancelled or redeemed.

References to any statutory provision or FCA Regulations in these Scheme Particulars shall include any statutory provision or FCA Regulations which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1 Common Investment Fund

The Fund is a Common Investment Fund established and regulated by the Scheme dated 8 October 2009 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 21 July 2014, 22 July 2014, 5 December 2015 and 15 May 2017 (as amended from time to time). The Fund is managed by the Manager as an unregulated Collective Investment Scheme and as a UK AIF in accordance with the FCA Regulations and the AIFMD Legislation.

2.2 The Board

The Fund is subject to oversight by the Board, which has been assigned certain duties, details of which are set out in the Scheme. It meets regularly to receive reports and monitor the progress of the Fund.

The duties of the Board include (but are not limited to):

- making an annual report regarding the discharge of its responsibilities;
- a duty to inform the Charity Commission promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the Scheme or these Scheme Particulars; and
- a duty to inform the FCA promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the applicable provisions of the AIFMD Legislation.

The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. A non-executive director of the Investment Manager (or an associate) is entitled to be a member of the Board. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member offers investment advice or conducts investment business in relation to the Fund.

In safeguarding the interests of Unitholders, the Board has a number of responsibilities which include setting and subsequently advising on the investment objective and Investment Policy of the Fund, monitoring performance, the appointment and discharge of the Manager and the Trustee, appointing the Auditor to the Fund, and agreeing the fees charged by the Trustee, the Manager and the Auditor. Prior to the Trustee making any written declaration that the Fund is to be wound up, the Trustee must serve on the Board a notice of the Trustee's intention to wind up the Fund and consider the Board's representations (if any).

To the extent of those duties and powers specified in the Scheme, the Board members are charity trustees within the meaning of the Charities Act 2011.

The Board members are entitled to be paid out of the Scheme Property any reasonable costs and expenses incurred by them in carrying out their duties as a member of the Board. Such reasonable costs and expenses may be drawn from the Fund. The Manager currently pays the reasonable costs and expenses of the Board members and intends to continue to do so for the foreseeable future.

2.3 The Trustee and Depositary

The Trustee acts as a trustee of the Fund for the purposes of and pursuant to the Scheme. Pursuant to the Depositary Services Agreement and for the purposes of and in compliance with the AIFMD Legislation and the relevant FCA Regulations, the Trustee has been appointed as depositary to the Fund.

The depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the AIFMD Legislation, the relevant FCA Regulations and the terms of the Scheme.

The depositary's duties include the following: -

- Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Units have been received.
- Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that can be physically delivered to the depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.
- Ensuring that issues, redemptions and cancellations of Units are carried out in accordance with applicable law and the Scheme.
- Ensuring that the value of Units is calculated in accordance with applicable law and the Scheme.
- Carrying out the instructions of the Manager, unless they conflict with applicable law or the Scheme.
- Ensuring that in transactions involving the Fund's assets, any consideration is remitted to the Fund within the usual time limits.
- Ensuring that the Fund's income is applied in accordance with applicable law and the Scheme.

The appointment of the depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days' written notice provided that the Depositary Services Agreement does not terminate until a replacement depositary has been appointed.

The depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement.

Unitholders have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

In general, the depositary is liable for losses suffered by the Fund as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the depositary will be liable to the Fund for the loss of financial instruments of the Fund which are held in its custody. The depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

The liability of the depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate any such discharge will be notified to the Unitholders and consent will be obtained from the Manager to such delegation and discharge. At the date of these Scheme Particulars, the depositary has not discharged its liability for the safekeeping of assets in its safekeeping.

The depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary shall not be liable for any indirect, special or consequential loss.

In the event there are any changes to the depositary's liability under the AIFMD Legislation and the relevant FCA Regulations, the Manager will inform Unitholders of such changes without delay.

2.4 The Manager

CCLA Fund Managers Limited is the appointed UK AIFM and the Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 8735639, whose registered address and details are shown in Appendix 1.

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 611707. The Manager has permission from the FCA to act as a full scope UK AIFM. The only business activity of the Manager is the management

of UK AIFs as a UK AIFM. The ultimate holding company of the Manager is CCLA Investment Management Limited.

Subject to the FCA Regulations and the AIFMD Legislation the Manager may delegate (and authorise its delegate to sub-delegate) its duties as Manager.

The Manager has delegated the provision of certain services including investment management, administration and the preparation of various reports for Unitholders to the Investment Manager and Administrator as detailed below.

The Manager's appointment may be terminated by the Board acquiring approval by the Trustee and serving written notice on the Manager.

The Manager is entitled to its pro rata fees and expenses (as provided for in the Scheme and detailed in these Scheme Particulars) to the date of termination of its appointment as Manager of the Fund and any additional expenses necessarily incurred in settling or realising any outstanding obligations.

The Manager is responsible for all the investment management and administration services in relation to the Fund set out under paragraph 17 of the Scheme. These include:

- the day to day management of the Fund including the power to buy and sell investments and to operate bank accounts and to borrow;
- the preparation of any valuations or other calculations to be made under these Scheme Particulars;
- the receipt of contributions and the satisfaction of withdrawals;
- the decision as to whether any particular asset is to be accepted as a contribution;
- the keeping of such accounts as the Trustee or the Board may require; and
- any matters incidental to the above matters.

The Manager is also responsible for the risk management of the Fund.

The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

2.5 The Investment Manager

CCLA Investment Management Limited is the appointed Investment Manager of the Fund. The Investment Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose address and details are shown in Appendix 1.

The Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281.

The Investment Manager has been appointed by the Manager pursuant to the Investment Management Agreement to provide portfolio management and administrative services to the Fund under the Investment Management Agreement. The Investment Manager also provides secretarial services to the Board.

Under the terms of the Investment Management Agreement, the Investment Manager's appointment may be terminated on three months' written notice by the Investment Manager or by the Manager, or in certain limited circumstances immediately by the Manager. The Investment Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Investment Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Investment Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Investment Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

The Manager is responsible for any fees payable to the Investment Manager and meets the fees of the Investment Manager from the Annual Management Charge the Manager receives for its services to the Fund.

2.6 The Registrar

The Trustee has appointed CCLA Fund Managers Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for the appointment to be terminated by either party giving 90 calendar days' written notice to the other. Earlier termination can only occur in specific circumstances, including a material and irremediable breach by either party.

2.7 The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix 1.

2.8 The Administrator

HSBC Bank plc is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under an agreement with the Investment Manager and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The registered address of the Administrator is shown in Appendix 1.

2.9 The Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix 1.

2.10 Unitholders' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Investment Manager, the Transfer Agent, the Auditor and the Administrator, whose details are set out in these Scheme Particulars (the "**Service Providers**"). No Unitholder will have any direct contractual claim against any Service Provider with respect to such Service Provider's default. This is without prejudice to any right a Unitholder may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of the Financial Services and Markets Act 2000 (as a result of a breach of the FCA Regulations by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

3. Investment Objective and Policy of the Fund

3.1 Investment Objective

The Fund aims to provide a long-term total return comprising growth in capital and income.

3.2 Investment Policy

The Fund is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It will have an emphasis on equities but will

also include property, bonds and other asset classes, which may be either liquid or illiquid in nature.

The Fund has a wide range of ethical restrictions and is advised by the Advisory Committee that identifies potential areas of policy development and refinement of the Fund's client-driven ethical investment policy.

3.3 Ethical and Responsible Investment

The Fund employs ethical and responsible investment policies as determined by the Board and informed by consultation with Unitholders from time to time and which are reviewed by the Board at least annually. The Board does not believe that the policies will have a lasting or substantial adverse impact on the performance of the Fund.

The Fund is managed in accordance with CCLA's values-based screening policy.

The Fund is promoted as an ethical fund and the ethical investment policy that it implements is set every three years following extensive Unitholder consultation. The current policy period is 2022-2025. During this period the Fund will avoid investment in companies that the Investment Manager has been advised by their third-party data providers, through the data points selected by the Investment Manager as:

- producing landmines, cluster bombs, chemical/biological weapons, and/or nuclear weapons;
- having significant involvement (>10% of revenues) in alcohol, gambling, pornography, tobacco, high interest rate lending (defined as any company, whose main business activity or focus (defined as exceeding 10% of Group turnover) is the provision of home-collected credit ('doorstep lending'), unsecured short-term loans ('payday loans') or pawnbroker loans, directly or through owned-subsidiaries), non-military weapons, or strategic military sales;
- testing cosmetics on animals (applies to companies in the 'Personal Products' Global Industry Classification Standard Sub-Industry. Due to regulatory requirements in some countries, exceptions will be made for companies that are identified as promoting alternatives to animal testing and which adopt a rigorous, responsible, animal testing policy);
- having fallen behind the transition to a low carbon economy. This is currently defined as any company that derives more than 5% of their revenue from the extraction of energy coal or tar sands;
- companies, whose principal business is the generation of electricity, that have not demonstrated the ability to align their business with the Paris Climate Change Agreement (as determined by the Investment Manager);

- extractives or utilities sector companies where productive engagement is not believed to be possible (at the discretion of the Investment Manager);
- deriving more than 10% of their revenue from the extraction of oil and gas (this is defined as revenue derived from oil and gas extraction & production and oil and gas refining);
- that do not meet the Manager's minimum standards for breast milk substitutes (BMS), based on Access to Nutrition BMS index or screening for single-use abortifacients. (These restrictions are implemented to reflect the Unitholders' wishes to co-operate with each other to meet the specific requirements of some Unitholder groups);
- that have an MSCI ESG Rating of B or below (or a data provider and score that the Manager may deem to be equivalent) and have failed a subsequent Manager's 'comply or explain' assessment.

The Fund will not purchase sovereign debt from countries agreed by the Investment Manager and the Advisory Committee as being amongst the world's most oppressive.

In addition, remaining companies who after persistent engagement, fail the Investment Manager's 'controversy process' on issues including:

- ILO Core Labour Standards;
- UN Guiding Principles on Business and Human Rights;
- Biodiversity and Toxic Waste;
- Climate Change Disclosure

are excluded from investment.

The Fund has set an aspirational target to dedicate 5% of capital to investments that provide positive social or environmental objectives and meet standard risk/return criteria.

The Fund is also managed in accordance with the Investment Manager's responsible investment policy and takes a positive approach to stewardship as defined in the UK Stewardship Code for institutional investors.

The Investment Manager's response to this code and its voting and engagement records are available on its website (<https://www.ccla.co.uk/about-us/policies-and-reports>). The Investment Manager is also a signatory to the United Nations backed Principles for Responsible Investment (PRI). The annual PRI assessment is available on the Investment Manager's website.

The Fund will take an active policy with regard to corporate actions and voting as required.

3.4 Target Benchmark

The target benchmark sets a standard against which the long-term performance of the Fund can be assessed.

The Fund has a long-term investment target benchmark designed to help investors meet their objectives. Over time, the Fund aims to achieve an average total return before costs of Consumer Price Index (CPI) inflation plus 5%.

3.5 Comparator Benchmark

To provide additional guidance on returns, the Manager publishes regular performance information relative to a comparator index designed to represent the typical structure and strategy of the Fund's underlying portfolio. The typical asset mix may change over time, so it may be necessary to review the make-up of the comparator benchmark to ensure that it remains a useful guide to returns.

The composite comparator benchmark of the Fund (and the constituents' respective weightings within the comparator benchmark), as at the date of these Scheme Particulars is as follows:

MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%).

3.6 Changes to the Investment Objective and Policy

The Board may only alter the Fund's investment objective and, subject to approval by the Board, the Manager may only alter the Investment Policy in accordance with these provisions.

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**fundamental change**" within the meaning in the FCA Regulations such an alteration may only be made following prior approval from the Unitholders by way of an extraordinary resolution (having the same meaning as when used in the FCA Regulations and following the same notice procedures for meetings of Unitholders as used in the FCA Regulations).

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a "**significant change**" within the meaning in the FCA Regulations such an alteration may only be made following the provision of 60 days' prior written notice to the Unitholders.

By way of guidance, the Board and/or the Manager (as appropriate) may consider the change to be significant rather than fundamental where:

- the proposed alterations do not alter the risk profile of the Fund;
- there is no change to the nature or purpose of the Fund; and
- the Unitholders are not materially prejudiced by the proposed change.

In certain limited circumstances the Board and/or the Manager (as appropriate) may decide that very minor changes to the Investment Policy and/or investment objective of the Fund (for example, those aimed at clarification of the investment objective and/or Investment Policy) would be considered a "**notifiable change**" within the meaning in the FCA Regulations. Such alterations may be made by providing Unitholders with access to an updated copy of these Scheme Particulars. All current scheme particulars for the COIF Charities Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

4. Participation in the Fund

4.1 Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least five years and understand that that their capital may be at risk, have the ability bear losses and appreciate that that the value of their investment and any derived income may fall as well as rise.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

4.2 Eligible Contributors to the Fund

Any Charity in England and Wales and any appropriate body in Scotland and Northern Ireland within the meaning of the Charities Act 2011 may normally invest in the Fund, unless precluded by a specific provision in the Charity's governing instrument, provided always that such a Charity is recognised by HM Revenue & Customs as a Charity for tax purposes. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of Eligible Contributors (please see the section headed Anti-Money Laundering Requirements below).

Any Charity (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Charity to invest in the Fund. Where a Unitholder (potential or otherwise) is

found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and disinvest. The Manager reserves the right to decline any application without giving any reason and to sell Units on behalf of a Unitholder if it reasonably believes that the Unitholder is no longer eligible to invest in the Fund.

4.3 Compulsory Sale of Units where a Unitholder Ceases to be an Eligible Contributor

Where a Unitholder:

- is found not to be eligible or becomes ineligible at a later date; or
- suffers a change in circumstances or is in breach of any applicable law or government rule or regulation which may affect its ability to be an Eligible Contributor,

it, or its nominee, must inform the Manager immediately and at the Manager's request must sell their Units.

As soon as the Manager becomes aware or has reasonable grounds to believe that a Unitholder no longer satisfies the requirements to be an Eligible Contributor, the Unitholder will be deemed to have submitted a sell Units form to sell all the Units held by them in the Fund. Where a Unitholder delays in informing the Manager that it has ceased to be, or may no longer be an Eligible Contributor, the Manager then has the right to treat the request to redeem Units as being made on the date on which the Unitholder's circumstances changed.

The Unitholder agrees that any proceeds of sale in relation to the Units sold as a result of the Unitholder ceasing to be an Eligible Contributor may be retained by the Manager in order to satisfy any losses suffered by the Fund as a result of the Unitholder ceasing to be an Eligible Contributor. Such losses may include, but shall not be limited to:

- any assessment for income or capital gains tax or any other tax to which the Fund would not have been assessed had the Unitholder remained as an Eligible Contributor;
- any distributions paid out to or settled in respect of the Unitholder's Units after the date on which the Unitholder ceased to be an Eligible Contributor; and
- all costs and expenses including professional fees incurred in connection with such assessment.

On the written request of the Manager any Unitholder who is required to sell their Units must:

- irrevocably appoint one or more of the directors of the Manager as its attorney to execute all instruments and other documentation required to effect a sale of its Units and the Unitholder agrees to ratify all and any acts of the attorney; and

- indemnify the Fund against all losses suffered by the Fund as a consequence of the Unitholder no longer remaining an Eligible Contributor.

If at the time a sell Units form is submitted (or is deemed to have been submitted) to the Transfer Agent, the Transfer Agent has received instructions to sell Units from one or more other Eligible Contributors, the sale of the Units held by a Unitholder who has ceased to be eligible to remain invested in the Fund will be sold in priority to all other sale requests in the queue.

In the event that dealings in the Fund are suspended any deemed or actual instructions for the compulsory sale of Units will not be frozen. In such circumstances the relevant Units will be cancelled and the Manager will make an appropriate provision for the sale proceeds due to the affected Unitholder.

Where an event occurs during a period of suspension that results in a Unitholder ceasing to be an Eligible Contributor, the Unitholder's rights to accrued income will be apportioned according to the date on which the event occurred that triggered the ineligibility.

The sale proceeds will be calculated at the Valuation Point for the next Dealing Day after the lifting of the suspension and will be paid to the Unitholder within four Business Days of the Dealing Day.

4.4 Income and Accumulation Units

Eligible Contributors to the Fund may purchase either Income or Accumulation Units or both. Income Units provide regular income distributions and each Unit represents one undivided share in the Scheme Property. Holders of Income Units receive income distributions quarterly.

Holders of Accumulation Units do not receive distributions. The distributions allocated to the Accumulation Units accumulate within the Fund and are reflected in the price of the Units. The effect of this accumulation of distributions is an increase in the price of an Accumulation Unit relative to the price of an Income Unit. An Accumulation Unit represents an increasing undivided share in the Scheme Property. The right represented by the holding of a Unit is that of a beneficial interest under a trust.

A Unitholder may, subject to the terms of its governing instrument, Convert Income Units into Accumulation Units of the corresponding value or vice versa on any Dealing Day free of charge.

4.5 Registration of Units

The Register is maintained on behalf of the Trustee by the Registrar. Holdings are usually registered in the name of Unitholders (or where applicable, holdings may be registered in the name of a nominee company acting on behalf of a Unitholder). Holdings

cannot be registered in the names of the individual trustees. No certificates are issued and the Register is the definitive evidence of title. The Units have no par value and entitle the holder to a proportionate interest in the Fund. Units cannot be assigned or transferred except from one Charity to another. The number of Units held will be certified on written request for audit or other purposes.

The Register may be inspected by or on behalf of Unitholders during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the Units. The Register contains the name of each Unitholder, the number of Units held, the type of Units and the name and address of the correspondent for each account. In addition, the Register may contain the following particulars:

- details of the nominee company acting on behalf of a Unitholder;
- client designation;
- bank account details for the remittance of distributions and withdrawals; and
- authorised signatory(ies) and the number of signatures required.

No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any Unit, and the Manager and the Trustee shall not be bound by any such notice.

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid out of the Scheme Property to the Manager.

4.6 Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether named within the Application Form or associated with the Eligible Contributor (or who are subsequently appointed to act for the Eligible Contributor) to satisfy itself as to the identity of the Eligible Contributor and those acting on its behalf. Proof of identity may sometimes be required either when buying or selling Units from time to time, even of existing Unitholders. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process sale requests or release sale proceeds.

4.7 Fair Treatment of Unitholders

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Unitholders. Such arrangements include, but are not limited to, ensuring that no one or more

Unitholders are given preferential treatment over any rights and obligations in relation to their investment in the Fund that would result in a disadvantage to any other Unitholder. All rights and obligations to Unitholders, including those related to subscription and redemption requests, are set out in the Scheme and these Scheme Particulars.

The Manager has established fair and transparent pricing models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Unitholders.

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Unitholders. The Manager has established a process for recognising and dealing with complaints fairly.

4.8 Meetings of Unitholders

Any meeting of Unitholders shall be held in accordance with the FCA Regulations, and all the provisions of the FCA Regulations shall apply to such meetings. A meeting of Unitholders duly convened and held by the Trustee may vote on a resolution:

- to approve a proposed scheme of amalgamation put forward by the Manager and the Trustee (or either of them); or
- to approve a proposed scheme of reconstruction put forward by the Manager and the Trustee (or either of them).
- to approve fundamental changes of investment objective and Investment Policy.

A meeting of Unitholders has no other powers.

4.9 Changes to Authorised Signatories and Correspondents

A Unitholder must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Charity's holding of Units must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Charity (or the nominee company acting on behalf of the Charity) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Charity. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

4.10 Short-term or Excessive Trading and Market Timing

The Fund is designed and managed to support longer-term investment and frequent trading is discouraged. Short-term or excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or Switching of, Units, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. For these purposes, the Manager may consider an investor's trading history in the Fund or other funds managed or operated by the Manager or an associate and accounts under common ownership or control.

5. Risks

Investors should consider the following risk factors before investing in the Fund.

5.1 General Investment Risks

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other market assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. The Fund may also invest in a range of non-traditional or alternative asset classes. The valuation of these assets can vary materially from those of stock and bond markets. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a reliable indicator of future results

5.2 Risk Associated with Investment in Other Collective Investment Schemes

The Fund may invest in one or more Collective Investment Schemes including schemes that are managed by the Manager or affiliated companies. In some cases, these Collective Investment Schemes may be unregulated. The Fund may invest in Collective Investment Schemes and other assets which may, on occasions, be illiquid. As the Fund may invest in other funds, Unitholders may incur a duplication of fees and commissions (such as management fees (including performance fees), custody and transaction fees, other administration fees and audit fees). To the extent these Collective Investment Schemes are permitted to invest in turn

in other funds, Unitholders may incur additional fees to those mentioned below.

5.3 Political Risk

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

5.4 Currency Risk

Currency exchange rate fluctuations may impact the value of the Fund which holds currencies or assets denominated in currencies that differ from the Base Currency of the Fund. The Fund may use currency hedging techniques within the limits set by the Board, which may mitigate this risk, however there is no guarantee that this will be either wholly or partially effective.

5.5 Counterparty Risk

Whilst the Investment Manager will place transactions, hold positions and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

5.6 Credit Risk

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default.

5.7 Settlement Risk

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

5.8 Interest Rate Risk

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

In a negative interest rate environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value.

5.9 Concentration Risk

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

5.10 Emerging Market Risk

Securities markets in emerging market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in a lack of liquidity. Accordingly, where the Fund invests substantially in securities listed or traded in such markets, its Net Asset Value may be more volatile than a fund that invests in the securities of companies in developed countries. Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Fund. Many emerging markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess. Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region. Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk. These factors may lead to temporary suspension of dealing in the Fund.

5.11 Operational Risk

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

5.12 Cyber Event Risk

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, "**cyber-events**"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Unitholders. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Unitholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund's investments to lose value.

5.13 Indirect Property Risk

The Fund may invest indirectly in property which is an illiquid asset class. The Fund will achieve this

indirect exposure by investing in Collective Investment Schemes which may include the COIF Charities Property Fund which invests directly in property and property related assets which are valued by an independent external property valuer and as such are open to substantial subjectivity. The performance of the COIF Charities Property Fund may be adversely affected by a downturn in the property market which could impact on the capital and or income value of the Fund.

5.14 Smaller Capitalisation Companies Risk

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies. The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company securities trade less frequently and in smaller volume. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the price of the Units of the Fund.

5.15 Suspension Risk

In certain circumstances, where the Manager determines that redemption requests may not be met the rights for Unitholders to redeem Units may be suspended, as further set out in these Scheme Particulars. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may consequently impact the Unitholder's own liquidity.

5.16 Inflation Risk

The real value of returns achieved from investment in the Fund will be affected by the rate of inflation experienced over the holding period.

5.17 Other Risks including Terrorism and Pandemic Risk

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of

the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Fund and materially and adversely affect its operation.

5.18 Derivatives Risk

To the extent the Fund uses derivatives for hedging purposes it may have derivative risk, furthermore the Fund may invest in other Collective Investment Schemes that also use derivatives for hedging as well as investment purposes.

Derivatives can be volatile and involve various degrees of risk. In particular, because many derivative instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a portfolio to the possibility of a loss exceeding the original amount invested and in turn this may affect the value of the Fund's investment in a Collective Investment Scheme which uses derivatives for investment purposes.

5.19 Tax Risk

The tax information provided in the "Taxation" section is based on tax law and practice at the date of these Scheme Particulars. Tax legislation, the tax status of the Manager, the Fund, the taxation of Unitholders and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

The availability and value of any tax reliefs to Unitholders will depend on the particular circumstances of individual Unitholders. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Unitholders should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

5.20 Total Return Approach Risk

As the Fund operates on the basis of a total return approach to distributions the Fund may return capital as well as dividend and interest income, when making distributions. As a result, the capital value of the Fund may be eroded more quickly than if the Fund did not use the total return approach.

5.21 Liquidity Risk

The Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair. Where a fund owns non-traditional or alternative asset classes, it is possible that the liquidity in these assets is more variable than for traditional stocks or bonds.

5.22 Risk Factors Not Exhaustive

The risks set out in these Scheme Particulars do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5.23 Risk Management Process and Liquidity Management

The Manager employs a risk management process, including the use of appropriate stress-testing procedures, which enables it to identify, measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in these Scheme Particulars.

Other arrangements may also be used in response to redemption requests, including, in extreme cases, temporary suspension which, if activated, will restrict the redemption rights investors benefit from in

normal circumstances as set out in these Scheme Particulars.

6. Investment Powers, Controls and Restrictions

6.1 Investment and Borrowing Powers

Subject to the restrictions set out here and in the Scheme the Manager may invest the Scheme Property at its discretion in any kind of investment which it could make if it were absolutely entitled to the Scheme Property. The Manager must have regard to the need for diversification and suitability of investments and is subject to the restrictions in Appendix 2.

The Fund may, subject to certain restrictions and as a protective measure, undertake forward currency transactions and may invest in subscription warrants in respect of securities which could be subject to stabilisation activity.

The Fund may borrow up to 10% of the Net Asset Value of the Scheme Property temporarily for the purpose of meeting any payment properly to be made out of the Fund. The Fund may also borrow up to 25% of the Net Asset Value of the Scheme Property in connection with the acquisition or management of any land.

These borrowings can only be exceeded with the prior written consent of the Board. For further information on the Fund's borrowings please see the Leverage section below. Cash awaiting investment may be deposited with a bank or in a Common Deposit Fund.

6.2 Breach of Investment Limits

A breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Fund if the consent of the Trustee is obtained but, in the event of a breach, the Manager must then take such steps as are necessary to restore compliance with the investment limits within a reasonable period of time. The power to invest in direct property is among the wide investment powers of the Fund.

6.3 Investment in In-House Collective Investment Schemes

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds which may be operated or managed by the Manager or an associate of the Manager.

6.4 Securities Markets

The Investment Manager may trade in securities that are admitted to or are traded on an exchange or under the rules of a securities market that has been approved by the Investment Committee from time to time.

6.5 Leverage

This section explains in what circumstances and how the Manager may use leverage as defined by the AIFMD Legislation (“**Leverage**”) in respect of the Fund and the maximum level of Leverage permitted.

Leverage means any method by which the Fund increases its exposure whether through borrowing cash or securities or leverage embedded in derivative positions or any other means. The sources of Leverage which can be used when managing the Fund include:

- cash borrowing; and
- financial derivative instruments.

Leverage may be used to facilitate the purchase of Scheme Property, but the Fund does not intend to use its borrowing powers to meet redemption requests. The Investment Manager will use Forward Foreign Exchange Contracts to hedge the currency exposure in the Fund.

The Manager is required to calculate and monitor the level of leverage of the Fund. Leverage is expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV). The exposure of the Fund shall be calculated in accordance with the commitment method (“**Commitment Method**”) and the gross method (“**Gross Method**”).

Under the Gross Method, the exposure of the Fund is calculated as follows:

- a) include the sum of all assets purchased, plus the absolute value of all liabilities;
- b) exclude the value of cash and cash equivalents which are highly liquid investments held in the Base Currency of the Fund, that are:
 - readily convertible to a known amount of cash; and
 - are subject to an insignificant risk of change in value;
- c) derivative instruments are converted into the equivalent position in their underlying assets;
- d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- e) include exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed; and
- f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the Commitment Method, the exposure of the Fund is calculated in largely the same way as under the Gross Method; however, whilst certain cash instruments and cash borrowings are included, the exposure of derivative or security positions employed in hedging and netting arrangements are not included in this calculation, provided certain conditions are met. These conditions aim to ensure that only those trades which offset the risks linked to other trades, leaving no material residual risk, are taken into account.

Further information regarding these different Leverage calculation methods can be found in the AIFMD Legislation and the investment risk management policy, which is available upon request from the Manager.

The only type of derivative the Investment Manager currently uses when managing the Fund is forward foreign exchange transactions. The Fund will only use these financial derivative instruments for the reduction of risk.

The total amount of Leverage employed by the Fund will be disclosed in the Fund’s Report and Accounts.

The maximum levels of Leverage are as follows;

Gross Method: 210%

Commitment Method: 110%

As these calculations of regulatory leverage do not fully take into account whether a particular financial derivative instrument increases or decreases investment risk, they will not necessarily be fully representative of the actual level of investment risk within the Fund.

It is not intended that the Trustee or any sub-custodian shall be entitled to re-use for its own benefit any of the Fund’s assets with which it has been entrusted.

7. Pricing of Units and Valuation of the Fund

7.1 Valuation Point

The Manager values the Scheme Property at 12:00 noon on each Dealing Day for the purpose of determining the prices at which Units may be issued, cancelled or redeemed. The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Valuation Points.

The Manager may also, at any time during a Business Day, carry out an additional valuation of the Scheme Property for the determination of Unit prices if, after consultation with the Trustee, it is considered desirable to do so.

7.2 Valuation of the Fund

The Scheme Property is valued in accordance with the FCA Regulations and the value of the Fund shall be the value of its assets less the value of its liabilities. The valuation of exchange traded securities is carried out at mid-market prices at the Valuation Point. The valuation of non-exchange traded securities is determined as follows;

- units in a Collective Investment Scheme – if the scheme is single priced then that price will be used. If the scheme is dual priced the mid-market price will be used;
- private equity holdings – the Manager will calculate the price based on valuation information provided by the private equity company;
- other assets – the Manager will value all other assets at a value which, in the opinion of the Manager, represents a fair and reasonable value based on independent inputs.

The Unit price includes the value of the income of the Fund which has not been declared as a distribution or accumulated by the Fund on the Dealing Day.

The amount of income to be included is the amount of income received by the Fund up to and including the Dealing Day, together with the amount of income accrued and including any UK tax credits to which the Fund is entitled. Any overseas income is treated on the same basis except that overseas tax deducted at source is only credited to the income of the Fund on receipt of claims made under double taxation treaties. All expenses paid or accrued on the same basis as the income will be deducted from the income.

7.3 Unit Prices

Dealing in Units takes place on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the Manager. Units in the Fund are single priced and prices of Units are expressed in the Base Currency. The prices of the Units are based on the Net Asset Value per Unit.

The Unit prices represent the buying and selling prices for Unitholders and also the creation and cancellation prices for the Trustee. No Units are held by the Manager or any other party involved in the management of the Fund other than in the capacity as a custodian or trustee for an Eligible Contributor.

7.4 Dilution Adjustment

The actual cost of purchasing or selling assets and investments in the Fund may vary due to dealing charges, taxes, and any spread between buying and selling prices of the underlying investments of the Fund. These costs could have an adverse

effect on the value of the Fund, known as “**dilution**”. In order to mitigate the effect of dilution the Manager may at its discretion adjust the sale and purchase price of Units to take into account the possible effects of dilution to arrive at the price of the Units. This practise is known as making a “**dilution adjustment**” or “**swing pricing**”. The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Fund. If the price of the Units does contain a dilution adjustment, such dilution adjustment will be paid into the Fund and will become part of the Scheme Property thus mitigating the effects of dilution that would otherwise constrain the future growth of the Fund.

The Manager reserves the right to make a dilution adjustment every Dealing Day. The dilution adjustment is calculated using the estimated dealing costs of the Fund’s underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The discount or premium to NAV per Unit (i.e. the rate of dilution adjustment) will depend on the volume of subscriptions or redemptions of Units and the Manager is not currently able to predict the likely frequency of such events. The Manager may in its discretion make a dilution adjustment if, in its opinion, the existing Unitholders, in the case of subscriptions, or remaining Unitholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Unitholders and potential Unitholders. In particular, the dilution adjustment may be made in relation to the Fund in the following circumstances:

- where the Fund is expanding or contracting;
- where the Fund is experiencing a large net subscription position or a large net redemption position relative to its size on any Dealing Day; and
- in any other case where the Manager is of the opinion that the interests of Unitholders requires the imposition of a dilution adjustment.

The Fund is regarded as expanding where, based on the daily movements in and out of the Fund, the Fund has experienced a material net inflow of money over a period of time. The Fund is regarded as contracting where, over a period of time, the Fund has experienced a material net outflow. The Fund is regarded as level where it is considered to be neither expanding nor contracting based on the above criteria.

Where the Fund is expanding, the Manager will normally swing the price to “**offer**” (i.e. increase the price by the adjustment rate referred to above), however the Manager may leave the price at “**mid**” (i.e. the price without any adjustment applied) if the flows are not of significant size relative to the size of the Fund.

Where the Fund is contracting, the Manager will normally swing the price to “**bid**”, however the Manager may leave the price at “mid” if the flows are not of significant size relative to the size of the Fund.

The dilution adjustment will be applied to the Net Asset Value per Unit resulting in a figure calculated up to four 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 Units. The most recent dilution adjustment figures can be obtained from the Manager on request.

On the occasions when a dilution adjustment is not applied if the Fund is in a net subscription position or a net redemption position, there may be an adverse impact on the assets of the Fund attributable to each underlying Unit, although the Manager does not consider this likely to be material in relation to the potential future growth in value of a Unit. As dilution is directly related to the inflows and outflows of monies from the 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 Manager will need to make a dilution adjustment.

In normal market conditions and under the tax and exchange fee regimes currently in operation in the relevant markets, the dilution adjustment is, based on historical data, likely to be in the range of minus 0.28% (for redemptions) to plus 0.28% (for subscriptions). Positive dilution adjustment figures indicate a typical increase from mid-price when the Fund is experiencing net inflows. Negative dilution adjustment figures indicate a typical decrease from mid-price when the Fund is experiencing net outflows. In more volatile or less liquid market conditions the dilution adjustment could be materially wider.

7.5 Publication of Prices and Performance

The Unit prices are published on every Dealing Day on the Manager’s website www.ccla.co.uk or can be obtained by calling 0800 022 3505 during the Manager’s normal business hours. As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can deal.

The Unit prices may also appear in other third party websites or publications. The Manager does not accept responsibility for the accuracy of the Unit prices published in, or for the non-publication of Unit prices by, these sources for reasons beyond the control of the Manager.

The Fund’s past performance is set out in Appendix 3 and is also available on the Manager’s website on www.ccla.co.uk.

8. Dealing in Units

8.1 Application for Units

To apply for Units, the Applicant must have an active open account. An application to open (or reactivate) an account will normally take up to five Business Days provided all documents required are provided along with the Application Form. Instructions cannot be accepted until the account is active.

All instructions to buy and sell Units must be received on or prior to the Dealing Deadline if they are to be processed at the prices to be calculated on that day. Instructions received after this time will be held over to the next Dealing Day.

The Manager will execute purchases or redemptions on the instructions of the investor at the published Unit price at the relevant Valuation Point. Units can only be created or cancelled through the Trustee on behalf of the Fund.

8.2 Minimum Initial and Subsequent Investments

The normal minimum initial investment in the Units is £1,000. Any additional amount may be invested thereafter. The Manager reserves the right to waive the minimum initial investment amount.

8.3 Buying Units

Applications for the initial purchase and all subsequent purchases of Units must be made using a completed buy Units form. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the Dealing Deadline or by opting to debit a COIF Charities Deposit Fund account in the Unitholder’s name or their nominee at the same time as the submission of the buy Units form.

Cheques, if used, must be drawn on an account in the name of the Applicant/Unitholder and made payable in the Base Currency of the Fund to “**CCLA Fund Managers Limited CMPA**”. Purchases will be processed on the relevant Dealing Day providing the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the Dealing Deadline.

Except as specified below (in the section titled Applications from nominees), applications to purchase Units can only be actioned on a particular Dealing Day if, on or prior to the Dealing Deadline:

- a correctly completed buy Units form has been received by the Transfer Agent; and
- the Trustee is in receipt of cleared funds.

Applications from nominees

Where a nominee company acts on behalf of an Applicant/Unitholder, the Transfer Agent may

process an application to buy Units which has been received on or prior to the Dealing Deadline even where the Trustee is not in receipt of cleared funds.

Where the Transfer Agent has acted upon such an instruction, cleared funds must be received by the end of two Business Days following the Dealing Day. Should cleared funds not be received by this time, the Manager reserves the right to immediately redeem any Units created as a result of that instruction.

The nominee company will be responsible for any losses (including costs, expenses or other liabilities) incurred as a result of that nominee company failing to provide cleared funds by the end of two Business Days following the relevant Dealing Day. Such losses may include (without limitation) any loss sustained by the Manager or the Fund as a consequence of a fall in the price of Units and any costs sustained by the Manager or the Fund when redeeming such Units.

Provisions applicable to all applications

Bank accounts of Applicants/Unitholders should be held with a banking institution in the United Kingdom and payments made payable in the Base Currency of the Fund.

Applications to purchase, once made, are irrevocable. However, subject to its obligations under applicable law and regulation, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the Applicant/Unitholder (or nominee company, where applicable), any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the Applicant/Unitholder.

The Manager may also, at its discretion, suspend the issue of new Units if any such new issue would prevent the orderly investment of monies by the Fund.

When monies are received early, they will be banked in a client money account for investment on the next Dealing Day providing a corresponding buy Units form has been received. Interest will not be payable on these monies.

On acceptance of an application, Units will be issued at the relevant Unit price. A contract note will normally be dispatched by the end of the next Business Day following the Dealing Day. The contract note inter alia, will show certain information, such as the number of Units and the issue price. Units are issued to two decimal places.

The Manager reserves the right not to execute a transaction until the charitable status and eligibility of the Applicant has been demonstrated.

Conditional Orders

The Transfer Agent cannot accept conditional purchase or sale instructions from investors. A conditional order is one where the instruction specifically states that a purchase or sale may only proceed at a specified price, e.g. purchase £50,000 worth of the Fund Units if the Unit price is less than £5.

8.4 Selling Units

All instructions to sell Units must be made using a completed sell Units form and be received by the Transfer Agent on or prior to the Dealing Deadline to obtain that day's price. On acceptance of a redemption, Units will be redeemed at the relevant Unit price. A contract note detailing the transaction will normally be sent out by the close of business on the next Business Day.

Proceeds of sales will be remitted to the nominated bank account of the Unitholder or be paid direct to a COIF Charities Deposit Fund account held in the name of the Unitholder. Proceeds relating to settlement of sales are usually remitted within four Business Days of the Dealing Day.

In the event funds are returned, the Manager will take reasonable steps to contact the Unitholder to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Unitholder's payment instructions being incorrect or not being kept up to date.

Proceeds that are transferred to a COIF Charities Deposit Fund account are usually credited with effect from the settlement date (two Business Days after the Dealing Day).

8.5 Deferred Redemptions

If requested redemptions from the Fund on a particular Dealing Day exceed 10% of the value of the Fund, redemptions of Units may be deferred to the next Valuation Point. Any such deferral will only be undertaken in such manner as to ensure consistent treatment of all Unitholders who had sought to redeem Units at the Valuation Point at which redemptions were deferred. Deferral will be pro-rated based on the value of Units being redeemed (provided that the Manager may determine in its discretion a value threshold below which all redemptions will be effected and above which the foregoing pro rata deferral shall apply) and so that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

8.6 Regular Trades

An Applicant/Unitholder may buy and sell Units at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For purchases, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

8.7 Conversion and Switching

A Unitholder may Convert or Switch all or some of their Units ("**Original Units**") for Units of a different type or units in another COIF Charities Fund ("**New Units**").

A Conversion is an exchange of Income Units for Accumulation Units or vice versa.

A Switch is an exchange of Units for units in another COIF Charities Fund.

The number of New Units issued to a Unitholder following a Conversion or a Switch will be determined by reference to the price of the Original Units relative to the price of the New Units at the relevant Valuation Point, and in the case of Switches, to the relevant valuation point of the other COIF Charities Fund.

Unitholders are required to provide written instructions to the Transfer Agent before the Switch or Conversion is effected. Moreover, a Switch to another COIF Charities Fund will require the Unitholder to confirm that they have received, read and understood the Key Information Document for the relevant fund.

Whilst Switches between the COIF Charities Funds are permitted at any time, Switches involving the COIF Charities Property Fund can only be undertaken on the COIF Charities Property Fund dealing day. Further details are available in the relevant scheme particulars for this fund on the Manager's website.

8.8 Securities Exchange

Quoted securities in which the Fund has power to invest may be offered to the Fund in exchange for the issue of Units on a Dealing Day. If accepted, securities are taken in at mid-market valuation. The Manager has absolute discretion as to the securities that will be accepted. The procedure for exchange is complex and may require some time for completion; further details are available upon request. Neither the Trustee nor the Manager accepts any responsibility

for the fluctuation in asset values during the transition into Units. It is the investor's responsibility to arrange for the transfer of acceptable securities to the Fund. Neither the Trustee nor the Manager accepts any responsibility or liability for any loss that may arise as a result of any failure or delay in the transfer of securities by an investor or an investor's investment manager.

8.9 Large Deals

Deals of any size can normally be completed without delay, and there is normally no restriction on the carrying out of transactions. For the purpose of these Scheme Particulars, a large deal is one of £1,000,000. The Manager may, at its discretion, elect to settle such deals by way of a transfer of securities from the assets of the Fund to the seller (in specie transfer) and may be applied at the discretion of the Manager and subject to the agreement of the Trustee.

8.10 Trustee's Refusal to Issue or Cancel Units

The Trustee has the power to refuse to issue or cancel Units where:

- a) the Trustee is of the opinion that it is appropriate to do so; or
- b) the Trustee considers that there may be an issue with the Manager's ability or competence to continue as the Manager of the Fund; or
- c) on receipt of instructions from the Manager to issue or cancel Units, the Trustee is of the opinion that such action would result in a breach of law or regulation; or
- d) the Applicant may be ineligible for the Fund; or
- e) there may be potential detriment to the Fund; or
- f) it is not in the interests of Unitholders that;
 - Units should be issued; or
 - Units should be cancelled; or
 - Units should be issued or cancelled in the number requested by the Manager.

In all the cases where the Trustee refuses to issue or cancel Units the Trustee must give notice to the Manager that the Trustee refuses to issue or, as the case may be, cancel, all, or a specified number of, the Units.

On giving such a notice the Trustee is relieved of the obligation to issue or cancel the number of Units to which the notice relates.

8.11 Suspension of Dealing

In exceptional circumstances, the Manager may, if the Trustee agrees, or shall, if the Trustee requires, suspend at any time for a period of up to 28 days the issue, cancellation, buying and selling of Units. The Manager or the Trustee must be of the opinion that there is good and sufficient reason to do so, having regard to the best interests of the Unitholders. No

Units can be bought or sold during this period. The Manager will notify Unitholders as soon as reasonably practicable if it is decided to suspend dealing in the Fund.

8.12 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("**CASS**") where it holds client money (as defined by CASS).

Client money typically arises during the creation and redemption processes where a Unitholder passes money to the Manager for the purpose of investing in Units or the Manager passes money due to the Unitholder as the result of the redemption of Units. All subscriptions are received into a client money account and all redemptions are passed into, and paid from, a client money account. Unitholders should note that in their dealings in Units the Manager is responsible for arranging for the issue and the cancellation of the Units.

Money received for subscription or redemption of Units:

Any money which is received by the Manager prior to investment in the Fund or following a redemption of Units will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Unitholders' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Unitholder.

Insolvency of the third-party bank holding client money:

If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the investors against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the amount of client money held with the bank and any client money claimed by the Manager on behalf of investors. In these circumstances, investors will share that shortfall with all other clients in proportion to their respective claims, and investors may not receive back all the client money due to them.

8.13 Execution Services

In accordance with the FCA Regulations, the Investment Manager must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund and must establish and implement an order execution policy to allow it to obtain the best possible result and to ensure that all sufficient steps are taken to act in the Unitholders' best interests in line with its treating customers fairly policy.

The Investment Manager's order execution policy sets out the basis upon which the Investment Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations in relation to execution. Details of the order execution policy are available on the Manager's website www.ccla.co.uk. A copy will also be made available on request.

9. Distributions to Unitholders

Pursuant to the Scheme, both the capital and the income of the Fund will be available for distributions at the Manager's discretion.

9.1 Quarterly Distribution

Distributions are calculated quarterly on the last Business Day of each calendar quarter, being March, June, September and December (the "**Ex-dividend date**").

In respect of Income Units, the annual rate of distribution is approved by the Board in discussions with the Manager. The Income Unit distribution rate is set at a level that is expected both to allow the distribution amounts to be maintained or increased over time and to preserve the real (after inflation) value of Income Units over the long-term. Both the capital and the income of the Fund may be used for the purpose of making distributions in respect of Income Units. It is recognised that from time to time changing circumstances may require an amendment to the annual rate in order to increase the likelihood of maintaining the real value of Income Units.

In respect of Accumulation Units, the distributions consist of the total income accrued in the relevant quarter. Currently the Manager does not use the capital of the Fund for the purposes of distributions in respect of Accumulation Units.

Distributions in respect of the preceding quarter are usually paid on the last Business Day of the second calendar month following the Ex-dividend date, being May, August, November and February.

Monies will be paid directly to a bank account held in the name of the Unitholder (or a nominee company acting on behalf of the Unitholder) or paid into a COIF Charities Deposit Fund account in the name of

the Unitholder (or nominee company acting on behalf of the Unitholder).

In addition, if a distribution made in relation to any Income Units remains unclaimed over the subsequent three accounting periods for which distributions are made for those Units, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Units remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

Holders of Accumulation Units do not receive distributions of income as explained under the section headed Income and Accumulation Units in section 4 above.

Changes in tax law and regulations may affect the basis of calculation and payment of distributions.

9.2 Income Reserve Account

Each quarter income may be transferred to an Income Reserve Account which reduces the amount available for distribution in respect of that quarter, or income can be transferred from the Income Reserve Account to the Distribution Account, which increases the amount available for distribution. The Income Reserve Account is used to even out fluctuations in income available for distribution which may arise from time to time. The amount held in the Income Reserve Account forms part of the capital of the Fund and is included in the price of Income Units until it is used in the payment of a distribution. The Income Reserve Account is used in respect of Income Units only. Additionally, where there is a balance brought forward on the Income Reserve Account new holders of Income Units are acquiring a right to a proportion of the income reserve, and those selling are giving up the right to the income reserve of the Fund.

The Scheme allows for distributions of both the capital and income of the Fund (see above), but the Income Reserve Account must be fully exhausted before any capital can be paid. The exhaustion of the Income Reserve Account does not preclude it from being used again in the manner described above.

9.3 Equalisation

The first allocation of income within a distribution to which a Unitholder is entitled, following the purchase of Units, is calculated as if the purchase had been made at the beginning of the quarter. The distribution will therefore include that part of the purchase price consisting of income from the beginning of the quarter to the date of purchase.

10. Reporting

10.1 Regular Statements

Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

10.2 Report and Accounts of the Fund

The Report and Accounts of the Fund are normally prepared for the half year to 30 June (unaudited) and the year to 31 December (audited).

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and the half-yearly Report and Accounts for the period to 30 June (the interim accounting date) within six months of the end of the relevant period.

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management. The Report and Accounts will also include details of any change to the Fund's use of Leverage and further disclosures required by the AIFMD Legislation.

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

11. Complaints and Compensation

11.1 Complaints

The Manager has established a complaints policy to investigate complaints received.

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix 1.

Unitholders who are eligible complainants (as defined in the FCA Regulations) may have the right to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Unitholder. The address, telephone number and website of the FOS is shown in Appendix 1.

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

11.2 Compensation

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it

has acted on the instructions of the Unitholder (or nominee company acting on behalf of the Unitholder) in accordance with the mandate.

In certain circumstances a Unitholder may be entitled to protection from the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. However, please be aware that the compensation limits from the FSCS apply at a firm level. This means, for example, that if the Manager cannot meet its obligations and a Unitholder has investments in more than one CCLA fund (and each fund is eligible under the FSCS), then it is likely that the maximum amount that would be protected would be £85,000, provided the Unitholder is eligible to claim.

For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

12. Charges and Expenses

12.1 Remuneration and Expenses of the Trustee

The Scheme provides for the remuneration of the Trustee out of the Scheme Property by way of a periodic charge (plus VAT, if applicable and if any), and the reimbursement of expenses (including VAT, if applicable and if any) properly incurred by the Trustee. The rate of the Trustee's periodic charge is to be agreed in writing with the Board from time to time.

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

- delivery of securities to the Trustee;
- custody of assets;
- collection of income;
- submission of tax returns;
- handling of tax claims;
- preparation of the Trustee's annual report; and
- such other duties as the Trustee is required or empowered by law to perform.

The maximum periodic charge that may be made by the Trustee, subject to the prior written approval of the Charity Commission, is 0.03% per annum, (plus VAT, if applicable and if any), of the value of the Scheme Property.

The actual periodic charge agreed with the Board is calculated on a sliding scale:

- 0.0075% per annum on assets up to £100m;
- 0.0056% per annum on assets from £100m to £500m;
- 0.0038% per annum on assets over £500m.

The periodic charge (plus VAT, if applicable and if any), accrues daily to the Scheme Property and is payable monthly in arrears.

Any increase in the actual or maximum amount of the periodic charge made by the Trustee shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

In addition to the annual charge the Trustee is entitled to be paid custody charges as follows:

- Transaction – £3 to £67.50 per transaction
- Safekeeping – 0.003% to 0.1875%

12.2 Remuneration and Expenses of the Manager

The Annual Management Charge has been agreed by the Board and approved by the Charity Commission. Currently the charge is 0.60% (plus VAT, if applicable) per annum of the Net Asset Value of the Scheme Property. The Annual Management Charge accrues daily and is calculated by reference to the Net Asset Value of the Scheme Property on the immediately preceding Valuation Point. The accrued Annual Management Charge is paid from the Fund monthly in arrears.

The Annual Management Charge will be paid 100% from capital. The policy of taking the Annual Management Charge from capital could lead to capital erosion. However, it should not change the overall return on the Fund, taking capital and income together.

Where applicable, to avoid double charging, rebates of charges on holdings in the other funds managed or operated by the Manager or an associate are calculated and applied to the Fund. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

Any increase in the actual or maximum amount of the Annual Management Charge shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

12.3 Preliminary Charge

The Scheme provides for a preliminary charge to be included in the price at which Units may be purchased, out of which the expenses and remuneration of the Manager may be paid. No preliminary charge is currently levied.

The introduction of a preliminary charge and any increase in the actual or maximum amount of a

preliminary charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.4 Redemption Charge

The Scheme provides for a redemption charge to be included in the price at which Units may be sold, out of which the expenses and remuneration of the Manager may be paid. No redemption charge is currently levied.

The introduction of a redemption charge and any increase in the actual or maximum amount of a redemption charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.5 Inducements

In accordance with the FCA Regulations, the Manager when executing orders or placing orders with other entities in relation to financial instruments for execution on behalf of the Fund must not accept and retain any fees, commission or monetary benefits from a third party.

The Manager must not accept any non-monetary benefits when executing orders or placing orders with other entities for execution in relation to financial instruments on behalf of the Fund, except those which are capable of enhancing the quality of the service provided to the Fund, and which are of a scale and nature such that they could not be judged to impair the Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Fund.

12.6 Research

Certain brokers may from time to time provide research services to the Investment Manager which are used by the Investment Manager in its management of the Fund. The costs and expenses for such research services will be borne by the Investment Manager.

12.7 Other Expenses

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

- a) brokers' commission (where such payment may be made in accordance with the FCA Regulations), fiscal charges and other disbursements which are:
 - necessary or properly to be incurred in effecting transactions for the Fund;
 - normally shown in contract notes, confirmation notes, and margin accounts as appropriate;
- b) interest on borrowing permitted by the Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing;
- c) taxation and duties payable in respect of the Scheme Property, the Scheme or the issue of Units, if applicable;
- d) any costs incurred in modifying the Scheme where modification is:
 - necessary to implement, or necessary as a direct consequence of, any changes in the law; or
 - expedient having regard to any change in the law made by or under any fiscal enactment; or
 - to remove obsolete provisions from the Scheme obsolete; or
 - agreed by the Manager and Trustee to be in the interest of Unitholders.
- e) liabilities on a unitisation, amalgamation or reconstruction arising in certain circumstances;
- f) the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor;
- g) the proper expenses of the Board;
- h) the fees of any relevant regulatory authority in a country or territory in which Units are or may be marketed;
- i) any costs incurred through purchasing and holding third-party funds; and
- j) such other fees or expenses as may from time to time be agreed with the Trustee and depositary.

13. Conflicts of Interest

13.1 Conflicts of Interest Policy

The Manager and Investment Manager operate a conflicts of interest policy to ensure that their clients are treated fairly. The policy seeks to avoid circumstances which they consider may give rise to potential conflicts of interest and materially disadvantage their clients. It describes the controls and arrangements for preventing the Manager, the Investment Manager and their staff from:

- favouring one client over another;
- making a financial gain, or avoiding a financial loss, at the expense of the client;
- favouring a member of staff over a client;
- providing to (or receiving from) a person other than the client, an inducement in relation to a

service provided to the client, in the form of a financial interest;

- market abuse and disclosing confidential information;
- giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;
- favouring one of the Investment Manager's owners at the disadvantage of its clients;
- not disclosing the Investment Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and
- not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

13.2 Trustee and Depositary Conflicts of Interest

From time to time actual or potential conflicts of interest may arise between the depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Fund, the Unitholders or the Manager on the one hand and the depositary on the other hand. For example, such actual or potential conflict may arise because the depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund or the Manager and from which fees and profits in relation to the provision of those products or services may arise and from which the depositary may benefit directly or indirectly. In addition, the depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other clients whose interests may conflict with those of the Fund, the Unitholders or the Manager.

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the Scheme Property. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provide broking services to the Fund and/or to other funds or companies; act as financial adviser, banker, derivatives counterparty or otherwise provide services to the issuer of the

investments of the Fund; act in the same transaction as agent for more than one client; have a material interest in the issue of the investments of the Fund; or earn profits from or have a financial or business interest in any of these activities.

The depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

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

13.3 Material Interests and Conflicts

The Manager, the Investment Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

The Trustee may, from time to time, act as trustee of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations and the AIFMD Legislation, ensure that the performance of their respective duties will not be impaired by any such involvement.

The Fund has the power to invest in other funds operated or managed by the Manager or an associate of the Manager, and a rebate of charges is made to ensure no double charging of the management fee. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

The Manager operates a client relationship management service to offer suitable support to Charities. It should be noted that this service is associated with the COIF Charities Funds and that the COIF Charities Investment Fund owns 22.37% of the share capital of the Investment Manager as at 31 December 2022.

14. Taxation

14.1 General

The Fund has charitable status and is recognised as a Charity for UK tax purposes. As a Charity, the Fund should not be subject to UK tax on gains (provided such gains are applied for Charitable Purposes) or income from investments (provided such income is applied for Charitable Purposes). Tax suffered on investment income from UK equity dividends is not recoverable. To the extent that the Fund invests overseas, it may not be possible for the Manager to recover withholding tax suffered. As a Charity, the Fund is exempt from UK Stamp Duty.

Distributions by the Fund are made gross (i.e. without deduction of tax). Unitholders should not be liable to UK tax in respect of such distributions provided such income is applied for Charitable Purposes.

Distributions are paid and reinvested income is credited gross to Unitholders on the basis that all UK taxation has been both reclaimed and recovered. Overseas income is credited net and any overseas withholding tax is credited to income when it is recovered. No deductions in respect of tax are made with regard to income distributions or income passed to capital.

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

This is the Manager's understanding of the tax position as of the date of these Scheme Particulars. The tax position may change in the future. Unitholders should obtain their own tax advice in respect of their own position. Unitholders will be notified in writing with regards to any material changes in the tax position of the Fund.

15. Termination

15.1 Winding Up

If, upon consideration of the Board's representations (if any), the Trustee remains of the opinion that a winding up of the Fund is expedient in the interests of the Unitholders, the Trustee may execute a written declaration that the Fund is to be wound up, and if it does so, the Trustee shall send copies of the declaration to the Charity Commission, the Manager and the Board and publish it as the Charity Commission may direct.

Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Unitholders will be deemed to have submitted a sell Units form to sell their Units to the Manager.

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Unitholders pro rata to their holdings.

Any sell Units forms already received by the Transfer Agent to sell Units in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed sales that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to sell have been processed the Scheme Property will be distributed to the remaining Unitholders on a pro-rata basis according to the number of Units held by them in the Fund. The Manager has discretion to make in-specie redemptions in place of payments in cash.

In the event of winding up, any amount in the Income Reserve Account is distributed at the discretion of the Trustee.

16. General Information

16.1 Data Protection

The Manager is a data controller and the Transfer Agent is a data processor in accordance with the Data Protection Legislation and both will hold personal data about each Unitholder's representatives (referred to below as "**representatives**") that has been supplied to the Manager or Transfer Agent (whether by the representative, a Unitholder or otherwise) as set out in the Manager's Privacy Notice. Each Unitholder agrees to ensure that the contact details and other personal data provided for it and its representatives to the Manager and Transfer Agent remains up to date at all times.

The Unitholder acknowledges that the Fund may invest in investment schemes operated and managed by the Manager and/or by third parties (referred to below as "**investment schemes**") and that the Manager may need to pass data, including personal data regarding the representatives, to those investment schemes. The Manager will not pass on any personal data to any other third party or permit the investment schemes to pass the personal data to third parties except: (i) where, in relation to the performance of its services to the Unitholder, the Manager (or the investment scheme) sub-contracts part of the services or any support services; (ii) as agreed by the Unitholder; or (iii) where required to do so for legal or regulatory purposes as set out in the Manager's Privacy Notice.

The Manager (and the investment schemes) may keep records of all business transactions for at least seven years. Unitholders have a right to inspect copies of contract notes and entries in the Manager's

books or computerised records relating to their transactions. Their representatives also have certain rights under applicable Data Protection Legislation, including the right to access copies of their personal data and change the permissions given in respect of the processing of it. The Manager will treat all Unitholders' records as confidential and so reserves the right to provide copies of the Unitholder/representative's particular record, rather than allow access to files which may contain information about other Unitholders. Requests to access the above records/personal data or to exercise any other rights under applicable Data Protection Legislation should be directed to The Data Protection Adviser at the Manager's office, One Angel Lane, London EC4R 3AB.

16.2 Telephone and Electronic Communications

Please note the Manager and Transfer Agent may record telephone calls for training and monitoring purposes and to confirm instructions.

16.3 Amending these Scheme Particulars

These Scheme Particulars may be updated or amended by the Manager from time to time, subject where applicable to the approval of the Board or the Charity Commission where necessary as set out in the Scheme and these Scheme Particulars, and in relation to any changes to the investment objective and Investment Policy only in accordance with the provisions dealing with such changes as set out above in these Scheme Particulars.

The approval of the Board is necessary where the Manager seeks to amend the investment objective or Investment Policy, or where the Manager wishes to enter into a course of borrowing in excess of 10% of the Net Asset Value of the Scheme Property.

The approval of the Charity Commission is required in the following circumstances:

- if it is proposed that the fees of the Manager or the Trustee be increased; or
- if any amendment is proposed that modifies or relaxes any duty to account to the Fund which may result from a conflict of interest or duty on the part of the Trustee, Manager or other person.

The Manager will endeavour to give Unitholders 30 days' notice of changes to the Scheme Particulars save in respect of any proposed increase in the fees of the Manager and/or Trustee when a minimum of 90 days' prior notice is required to be given under

the Scheme. For changes other than changes to the fees of the Manager and/or Trustee, in some circumstances it may not be possible to give 30 days' notice when changes are required for regulatory or other reasons.

16.4 Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

16.5 Acceptance of Terms and Conditions

By completing the Application Form the Applicant acknowledges and accepts the terms and conditions set out in these Scheme Particulars and the Scheme and agrees to be bound by them.

16.6 Applicable Law and Jurisdiction

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules the latter shall prevail.

These Scheme Particulars summarise the terms on which the Fund operates. For further information as to the terms on which Units are issued, reference should be made to the Scheme which is available upon request from the Manager.

By applying for Units, a Unitholder acknowledges that it will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Unitholder's investment in the Fund or any related material.

16.7 Additional Information

A Unitholder is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

The Manager will make available copies of the Scheme Particulars, Key Information Document, factsheet and annual and half yearly Report and Accounts on its website www.ccla.co.uk. Alternative formats of these documents are available upon request from clientservices@ccla.co.uk.

If a hard copy or an email copy of any of these documents or the Scheme is required, please contact Client Services on 0800 022 3505.

Appendix 1 – Directory

Trustee and Depositary

The Trustee and depositary of the Fund is HSBC Bank plc which is a public limited company, incorporated in England and Wales. It is a 100% subsidiary of HSBC Holdings plc, incorporated in England with limited liability. Its principal business is banking. The Head Office, which is also the registered office, is at 8 Canada Square, London E14 5HQ.

Manager

The Manager of the Fund is CCLA Fund Managers Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. The Manager is authorised by the FCA as a full scope UK AIFM and is entered on the FCA's register under reference number 611707.

The main business activity of the Manager is the management of unregulated and regulated Collective Investment Schemes in the form of UK AIFs.

CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited. Registered office at One Angel Lane, London EC4R 3AB.

Incorporated on 16 October 2013.

Directors of CCLA Fund Managers Limited are:

J. Bailie (Chairman)*
D. Sloper
E. Sheldon
J. Berens
N. McLeod-Clarke*

(* indicates a Non-Executive Director)

The Manager also manages the COIF Charities Investment Fund, the COIF Charities Global Equity Fund, the COIF Charities Short Duration Bond Fund, the COIF Charities Property Fund and the COIF Charities Deposit Fund.

CCLA Fund Managers Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

Investment Manager

The Investment Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at One Angel Lane, London EC4R 3AB.

The Board of the Fund

The members of the Board are:

K. Corrigan
J. Hobart
N. Morecroft (Chairman)
A. Watson
C. Ong

Administrator

The Administrator of the Fund is HSBC Bank plc, 8 Canada Square, London E14 5HQ.

Registrar

The Registrar of the Fund is CCLA Fund Managers Limited. The Register may be inspected at the registered office of CCLA Fund Managers Limited during normal business hours by a Unitholder or any Unitholder's duly authorised nominee/agent.

Transfer Agent

The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

Auditor

The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

Address for Complaints

Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, One Angel Lane, London EC4R 3AB or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

Unitholders who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR (Telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

Appendix 2 – Investment Restrictions

Securities

Save as provided below, the Investment Manager shall not invest the Scheme Property in transferable securities which are not approved securities (an approved security being a transferable security that is admitted to official listing in the United Kingdom or a European Economic Area State or is traded on or under the rules of an eligible securities market (otherwise than by the specific permission of the market authority)).

The Fund will not invest in securities underwritten by the Manager or the Investment Manager.

The Investment Manager shall not invest more than 10% of the Net Asset Value of the Scheme Property as at the date of the investment in transferable securities issued by any single body, other than government and public securities.

In-House Funds

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds operated by the Manager or an associate of the Manager (In-House Funds) provided that not more than a total of 20% of the Net Asset Value of the Scheme Property as at the date of the investment shall be invested in In-House Funds.

Non In-House Funds

The following restrictions apply to investment in Collective Investment Schemes other than investment in In-House Funds.

The Fund shall not invest in a Collective Investment Scheme (second scheme) unless the second scheme meets each of the requirements set out in 1.1 to 1.3:

- 1.1 the second scheme complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
 - a) is a non-UCITS retail scheme; or
 - b) is a recognised scheme; or
 - c) is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or
 - d) is a Common Investment Fund.

- 1.2 the second scheme operates on the principle of the prudent spread of risk; and

- 1.3 the participants in the second scheme shall be entitled to have their units redeemed in accordance with that scheme at a price;
 - a) related to the net asset value of the property to which the units relate; and
 - b) determined in accordance with that scheme.

Notwithstanding the above, the Fund may invest not more than a total of 20% of the Net Asset Value of the Scheme Property as at the date of the investment;

- 2.1 in units in a second scheme or schemes not falling within 1.1 to 1.3; and
- 2.2 in any transferable securities which are not approved securities.

The Investment Manager shall not invest more than 35% of the Net Asset Value of the Scheme Property as at the date of the investment in any one Collective Investment Scheme.

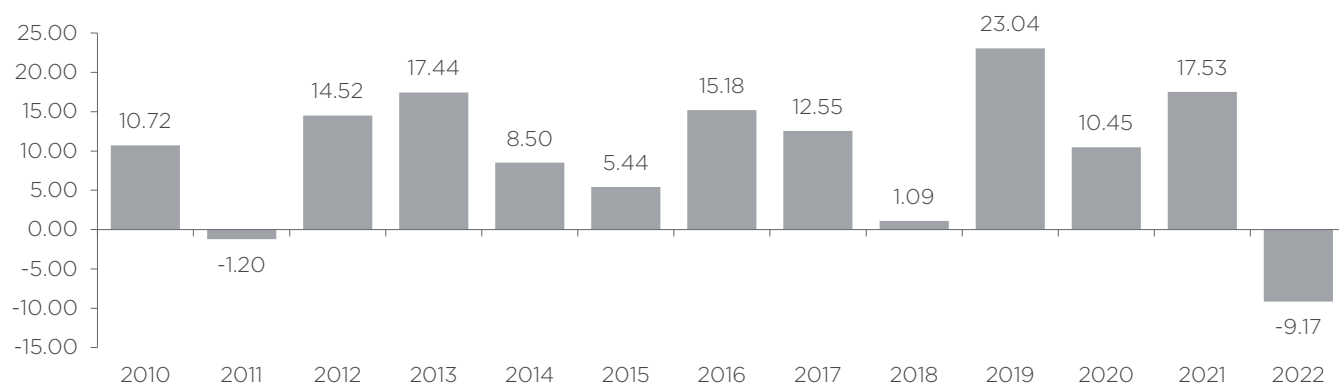
Cash

To the extent that it is not otherwise permitted under the provisions of the Scheme, the Scheme Property may include cash and near cash where this may reasonably be regarded as necessary in order to facilitate the cancellation of Units, or to further the efficient management of the Fund, or otherwise to enable the Manager to discharge its functions under the Scheme.

Appendix 3 – Past Performance

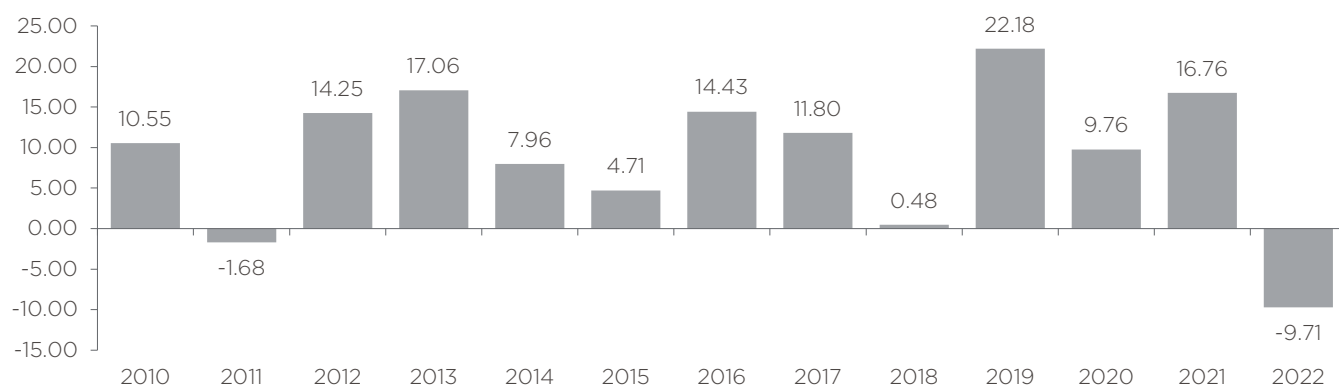
The performance below is shown both gross and net of all Fund charges and expenses. It has been calculated in the Base Currency of the Fund.

Gross



■ COIF Charities Ethical Investment Fund

Net



■ COIF Charities Ethical Investment Fund

The Fund launched in December 2009. Past performance is not a reliable indicator of future results.

Appendix 4 – Investment Policy Statement

This Investment Policy Statement is provided in accordance with clause 51.4 of the Scheme. It should be read in conjunction with these Scheme Particulars. The Investment Policy of the Fund is designed to meet the investment objective of the Fund and is made and reviewed by the Manager.

Investment Objective

The Fund aims to provide a long-term total return comprising growth in capital and income.

Investment Policy

The Fund is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It will have an emphasis on equities but will also include property, bonds and other asset classes, which may be either liquid or illiquid in nature.

The Fund has a wide range of ethical restrictions and is advised by the Advisory Committee that identifies potential areas of policy development and refinement of the Fund's client-driven ethical investment policy.

Target Benchmark

The target benchmark sets a standard against which the long-term performance of the Fund can be assessed.

The Fund has a long-term investment target benchmark designed to help investors meet their objectives. Over time, the Fund aims to achieve an average total return before costs of Consumer Price Index (CPI) inflation plus 5%.

Comparator Benchmark

To provide additional guidance on returns, the Manager publishes regular performance information relative to a comparator index designed to represent the typical structure and strategy of the Fund's underlying portfolio. The typical asset mix may change over time, so it may be necessary to review the make-up of the comparator benchmark to ensure that it remains a useful guide to returns.

The composite comparator benchmark of the Fund (and the constituents' respective weightings within the comparator benchmark), as at the date of this Investment Policy Statement is as follows:

MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%).

Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Balance between different kinds of Investment

The balance between the different kinds of investment will be established by reference to the asset allocation of the comparator benchmark and the Manager's judgment of the future returns likely to be obtained on each asset class. To mitigate risk, the differences will be regularly monitored and reviewed by both the Manager and the Board.

Risk

The nature of the Fund is to be exposed to a number of risks as detailed in the Risks section of these Scheme Particulars. This means that the Unit price may fluctuate. Risk will be managed to the extent possible by diversification across a number of asset classes and where possible, within each asset class, and by following controlled administrative procedures.

Projected Return

It is not possible to accurately project a total return for a fund of this kind since markets are volatile and the value of investments can go down as well as up. Past performance is not a reliable indicator of future results. Policy will be to expect the Investment Manager to achieve the target benchmark over a long term time frame, and to deliver growth in the real value of the Fund's distribution.

The Realisation of Investments

The Fund will be actively managed, which means that investments will be realised by the Investment Manager for both stock specific and asset allocation reasons in furtherance of the Investment Policy.

CCLA Fund Managers Limited

One Angel Lane
London
EC4R 3AB

Freephone 0800 022 3505
clientservices@ccla.co.uk

www.ccla.co.uk

CCLA Fund Managers Limited (registered in England & Wales No. 8735639) is authorised and regulated by the Financial Conduct Authority.

CCLA

BECAUSE GOOD IS BETTER

COIF Charities Short Duration Bond Fund

Scheme Particulars

Scheme Particulars

COIF Charities Short Duration Bond Fund

Effective from 20 November 2023

Issued by CCLA Fund Managers Limited (the “**Manager**”)

A copy of this document, which constitutes Scheme Particulars for the COIF Charities Short Duration Bond Fund (the “**Fund**”), established in 1990 and regulated by a Scheme dated 29 November 2000 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011, as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 17 November 2015 and 20 November 2023 (the “**Scheme**”), and adopted by the Manager on 22 July 2014 has been filed with the Charity Commission. The Fund is registered with the Charity Commission under Charity Registration Number 803610.

Should the provisions of the Scheme and the Scheme Particulars be in conflict, the provisions of the Scheme shall prevail.

Any person relying on the information contained in this document, which was current at the date shown above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in these Scheme Particulars are true, clear and not misleading, Unitholders and/or potential Unitholders should not treat these Scheme Particulars as advice relating to their own legal, tax or investment position. If a Unitholder or potential Unitholder is in any doubt as to the meaning of any information contained in these Scheme Particulars, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1 Definitions

Accumulation Units means those Units where distributions are reinvested and reflected in the Unit price.

Administrator means HSBC Bank plc, or such successor entity appointed as administrator by the Manager from time to time.

AIFMD Legislation refers to the Alternative Investment Fund Managers Regulations 2013, the Alternative Investment Fund Managers Directive 2011/61/EU and the Commission Delegated Regulation (EU) 231/2013 as applied in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11:00pm on 31 January 2020.

Annual Management Charge means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.

Applicant means a Charity (or nominee company acting on its behalf) which is applying for an account.

Application Form means the application form to open an account available from the Manager's website.

Auditor means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.

Base Currency means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.

Board means the persons appointed pursuant to the Scheme and as further described in these Scheme Particulars.

Business Day means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.

Charitable Purposes bears the meaning as set out in section 2 of the Charities Act 2011.

Charity means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an "appropriate body" in Scotland and Northern Ireland within the meaning of section 97(3) of the Charities Act 2011.

Charity Commission means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.

Collective Investment Scheme means a collective investment scheme as defined by section 235(1) of the Financial Services and Markets Act 2000.

Common Deposit Fund means a common deposit fund established under section 100 of the Charities Act 2011.

Common Investment Fund means a common investment fund established under section 96 of the Charities Act 2011.

Conversion means the exchange of Income Units for Accumulation Units or vice versa and the act of so exchanging and "Convert" shall be construed accordingly.

Data Protection Legislation means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislations thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.

Dealing Day means each Business Day.

Dealing Deadline means 11:59am London time on a Dealing Day, or as otherwise determined by the Manager.

Depository Services Agreement means the agreement dated 21 July 2014 entered into by the Trustee, the Board and the Manager in relation to the depository services the Trustee provides to the Fund (as amended, supplemented or replaced from time to time).

Distribution Account means an account as provided for in the Scheme for the purpose of holding income to be distributed to Unitholders.

Duration means a measure of how long it takes, in years, for an investor to be repaid a bond's price by the bond's total cash flows. Duration can also measure the sensitivity of a bond's or bond fund portfolio's price to changes in interest rates. Certain factors can affect a bond's duration, including the time to maturity and the coupon rate.

Eligible Contributor means a Charity (or nominee company acting on its behalf) which is and continues to be eligible to hold Units.

Equalisation means an adjustment to the price of the Units to reflect the fact that investors buying Units part way through the Fund's accounting period are not entitled to all the income earned in respect of those Units over that period.

FCA means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.

FCA Regulations means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.

Forward Foreign Exchange Contract means a binding contract in the foreign exchange market that locks in the exchange rate for the purchase or sale of a currency on a future date.

Fund means the COIF Charities Short Duration Bond Fund.

Group has the same meaning as listed in the glossary to the FCA Regulations.

Income Reserve Account means an account in respect of the Fund for the purpose of evening out the amount of income distributed.

Income Units means those Units which pay distributions to Unitholders.

Investment Committee means the body responsible for the oversight of the Investment Manager's investment processes and activities.

Investment Management Agreement means the agreement dated 22 July 2014 between the Manager and the Investment Manager delegating the portfolio management of the Scheme Property to the Investment Manager (as amended, supplemented or replaced from time to time).

Investment Manager means CCLA Investment Management Limited.

Investment Policy means the investment policy as decided in the Investment Policy Statement from time to time.

Investment Policy Statement means the investment policy statement set out in these Scheme Particulars as amended from time to time.

Key Information Document means the document published for the Fund which contains information to help investors understand the nature and the risks of investing in the Fund. A key information document must be provided to investors prior to subscribing for Units so they can make an informed decision about whether to proceed.

Manager means CCLA Fund Managers Limited or such successor body corporate appointed as manager pursuant to the Scheme.

Money Laundering Regulations means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.

Net Asset Value or **NAV** means the value of the Scheme Property less all the liabilities of the Fund determined in accordance with the Scheme.

Register means the register of Unitholders maintained by the Registrar on behalf of the Trustee.

Registrar means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.

Report and Accounts means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to the periods ending 31 December and 30 June respectively.

Scheme means the Scheme sealed by the Charity Commission on 29 November 2000 as amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 17 November 2015 and 20 November 2023.

Scheme Particulars means these rules and particulars of the Fund made under the Scheme, as amended or replaced from time to time.

Scheme Property means the investments, assets and property of the Fund.

SONIA means the Sterling Overnight Index Average as published by the Bank of England; a measure of the interest rate paid on sterling short term wholesale funds.

Sub-Investment Manager means Hermes Investment Management Limited, or such successor company that may from time to time be appointed by the Investment Manager as a sub-investment manager.

Switch means the exchange of Units for units in another COIF Charities Fund and the act of so exchanging and "**Switching**" shall be construed accordingly.

Transfer Agent means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.

Trustee means HSBC Bank plc, or any successor body corporate appointed as trustee pursuant to the Scheme.

UK AIF refers to an alternative investment fund in the United Kingdom and has the same meaning as listed in the glossary to the FCA Regulations.

UK AIFM refers to the alternative investment fund manager and has the same meaning as listed in the glossary to the FCA Regulations.

Unitholder means an Eligible Contributor who is registered as a holder of Units.

Unit or Units means units in the Fund which may be Income Units or Accumulation Units.

Valuation Point means the valuation point as at 12:00 noon London time on each Dealing Day for the purpose of determining the price at which Units may be issued, cancelled or redeemed.

References to any statutory provision or FCA Regulations in these Scheme Particulars shall include any statutory provision or FCA Regulations which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1 Common Investment Fund

The Fund is a Common Investment Fund established in 1990 and regulated by the Scheme dated 29 November 2000 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 17 November 2015 and 20 November 2023 (as amended from time to time). The Fund is managed by the Manager as an unregulated Collective Investment Scheme and as a UK AIF in accordance with the FCA Regulations and the AIFMD Legislation.

2.2 The Board

The Fund is subject to oversight by the Board, which has been assigned certain duties, details of which are set out in the Scheme. It meets regularly to receive reports and monitor the progress of the Fund.

The duties of the Board include (but are not limited to):

- making an annual report regarding the discharge of its responsibilities;
- a duty to inform the Charity Commission promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the Scheme or these Scheme Particulars; and
- a duty to inform the FCA promptly and in writing if the Board is not satisfied as to the compliance of the Trustee or the Manager with the applicable provisions of the AIFMD Legislation.

The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. A non-executive director of the Investment Manager (or an associate) is entitled to be a member of the Board. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member offers investment advice or conducts investment business in relation to the Fund.

In safeguarding the interests of Unitholders, the Board has a number of responsibilities which include setting and subsequently advising on the investment objective and Investment Policy of the Fund, monitoring performance, the appointment and discharge of the Manager and the Trustee, appointing the Auditor to the Fund, and agreeing the fees charged by the Trustee, the Manager and the Auditor. Prior to the Trustee making any written declaration that the Fund is to be wound up, the Trustee must serve on the Board a notice of the Trustee's intention to wind up the Fund and consider the Board's representations (if any).

To the extent of those duties and powers specified in the Scheme, the Board members are charity trustees within the meaning of the Charities Act 2011.

The Board members are entitled to be paid out of the Scheme Property any reasonable costs and expenses incurred by them in carrying out their duties as a member of the Board. Such reasonable costs and expenses may be drawn from the Fund. The Manager currently pays the reasonable costs and expenses of the Board members and intends to continue to do so for the foreseeable future.

2.3 The Trustee and Depositary

The Trustee acts as a trustee of the Fund for the purposes of and pursuant to the Scheme. Pursuant to the Depositary Services Agreement and for the purposes of and in compliance with the AIFMD Legislation and the relevant FCA Regulations, the Trustee has been appointed as depositary to the Fund.

The depositary, HSBC Bank plc, is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc. The depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the AIFMD Legislation, the relevant FCA Regulations and the terms of the Scheme.

The depositary's duties include the following: -

- Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Units have been received.
- Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that can be physically delivered to the depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.
- Ensuring that issues, redemptions and cancellations of Units are carried out in accordance with applicable law and the Scheme.
- Ensuring that the value of Units is calculated in accordance with applicable law and the Scheme.
- Carrying out the instructions of the Manager, unless they conflict with applicable law or the Scheme.

- Ensuring that in transactions involving the Fund's assets, any consideration is remitted to the Fund within the usual time limits.
- Ensuring that the Fund's income is applied in accordance with applicable law and the Scheme.

The appointment of the depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days' written notice provided that the Depositary Services Agreement does not terminate until a replacement depositary has been appointed.

The depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement.

Unitholders have no personal right to directly enforce any rights or obligations under the Depositary Services Agreement.

In general, the depositary is liable for losses suffered by the Fund as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the depositary will be liable to the Fund for the loss of financial instruments of the Fund which are held in its custody. The depositary will not be indemnified out of the Scheme Property for the loss of financial instruments where it is so liable.

The liability of the depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate any such discharge will be notified to the Unitholders and consent will be obtained from the Manager to such delegation and discharge. At the date of these Scheme Particulars, the depositary has not discharged its liability for the safekeeping of assets in its safekeeping.

The depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary shall not be liable for any indirect, special or consequential loss.

In the event there are any changes to the depositary's liability under the AIFMD Legislation and the relevant FCA Regulations, the Manager will inform Unitholders of such changes without delay.

2.4 The Manager

CCLA Fund Managers Limited is the appointed UK AIFM and Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 8735639, whose registered address and details are shown in Appendix 1.

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 611707. The Manager has permission from the FCA to act as a full scope UK AIFM. The only business activity of the Manager is the management of UK AIFs as a UK AIFM. The ultimate holding company of the Manager is CCLA Investment Management Limited.

Subject to the FCA Regulations and the AIFMD Legislation the Manager may delegate (and authorise its delegate to sub-delegate) its duties as Manager.

The Manager has delegated the provision of certain services including investment management, administration and the preparation of various reports for Unitholders to the Investment Manager and Administrator as detailed below.

The Manager's appointment may be terminated by the Board acquiring approval by the Trustee and serving written notice on the Manager.

The Manager is entitled to its pro rata fees and expenses (as provided for in the Scheme and detailed in these Scheme Particulars) to the date of termination of its appointment as Manager of the Fund and any additional expenses necessarily incurred in settling or realising any outstanding obligations.

The Manager is responsible for all the investment management and administration services in relation to the Fund set out under paragraph 17 of the Scheme. These include:

- the day to day management of the Fund including the power to buy and sell investments and to operate bank accounts and to borrow;
- the preparation of any valuations or other calculations to be made under these Scheme Particulars;
- the receipt of contributions and the satisfaction of withdrawals;
- the decision as to whether any particular asset is to be accepted as a contribution;
- the keeping of such accounts as the Trustee or the Board may require; and
- any matters incidental to the above matters.

The Manager is also responsible for the risk management of the Fund.

The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of

the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

2.5 The Investment Manager and Sub-Investment Manager

The Investment Manager

CCLA Investment Management Limited is the appointed Investment Manager of the Fund. The Investment Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose address and details are shown in Appendix 1.

The Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281.

The Investment Manager has been appointed by the Manager pursuant to the Investment Management Agreement to provide portfolio management and administrative services to the Fund under the Investment Management Agreement. The Investment Manager also provides secretarial services to the Board. The Investment Manager may delegate portfolio management services provided to the Fund.

Under the terms of the Investment Management Agreement, the Investment Manager's appointment may be terminated on three months' written notice by the Investment Manager or by the Manager, or in certain limited circumstances immediately by the Manager. The Investment Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund. The Investment Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Investment Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Investment Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

The Manager is responsible for any fees payable to the Investment Manager and meets the fees of the Investment Manager from the Annual Management Charge the Manager receives for its services to the Fund.

The Sub-Investment Manager

Hermes Investment Management Limited has been appointed by the Investment Manager as the Sub-Investment Manager of the Fund. The Sub-Investment Manager is a limited liability company incorporated in England and Wales with company

registration number 02466043 whose address and details are shown in Appendix 1.

The Sub-Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 150000.

The Sub-Investment Manager provides portfolio management services to the Fund.

The Investment Manager is responsible for any fees payable to the Sub-Investment Manager.

2.6 The Registrar

The Trustee has appointed CCLA Fund Managers Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for the appointment to be terminated by either party giving 90 calendar days' written notice to the other. Earlier termination can only occur in specific circumstances, including a material and irremediable breach by either party.

2.7 The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix 1.

2.8 The Administrator

HSBC Bank plc is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under an agreement with the Investment Manager and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The registered address of the Administrator is shown in Appendix 1.

2.9 The Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix 1.

2.10 Unitholders' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Investment Manager, the Sub-Investment Manager, the Transfer Agent, the Auditor and the Administrator, whose

details are set out in these Scheme Particulars (the “**Service Providers**”). No Unitholder will have any direct contractual claim against any Service Provider with respect to such Service Provider’s default. This is without prejudice to any right a Unitholder may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of the Financial Services and Markets Act 2000 (as a result of a breach of the FCA Regulations by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

3. Investment Objective and Policy of the Fund

3.1 Investment Objective

The Fund aims to generate a total return (income plus capital growth) of cash (represented by SONIA) plus 1.75% per annum (net of fees and expenses) when measured over a rolling three year period.

There is no guarantee that the investment objective of the Fund will be achieved over any time period. Capital is at risk.

3.2 Investment Policy

The Fund will invest in a range of fixed and floating rate debt and/or debt related instruments issued by corporates and governments (government and public securities) including loans (which may be leveraged), inflation-linked securities, money market instruments and asset backed or other securitised products. Such instruments may be issued by issuers located in developed and emerging markets (as defined by MSCI for the purposes of its developed and emerging markets indices). Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the Manager, the Sub-Investment Manager or their associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds. Investments made by the Fund may be either liquid or illiquid in nature.

The Fund will be managed to ensure that the Fund’s Duration is less than 3.5 years, with the aim of reducing the effect of changes in interest rates on the Fund’s value. The Fund’s Duration measures the sensitivity of the value of the Fund to a change in interest rates; the lower the Duration the less impact a change in interest rates will have on the Fund’s value.

The Fund is actively managed which means the Investment Manager/Sub-Investment Manager uses

their discretion to pick investments to seek to achieve the investment objective.

The Fund will invest in instruments issued in a range of currencies and will hedge the non-sterling denominated portion of the portfolio back to the Fund’s Base Currency in a range of 95%-105% of the Net Asset Value of the Scheme Property, to reduce the risk of exposure to non-sterling currency fluctuations.

The Fund may invest in instruments that are either investment grade (credit rating of BBB- or above) or non-investment grade (credit rating less than BBB-) as rated by one of S&P Global Ratings or Fitch Rating Services, or instruments with a credit rating of Baa3 or above (investment grade) or a credit rating of less than Baa3 (non-investment grade), as determined by Moody’s Investors Service. Where an instrument does not have an explicit rating from one of these agencies (“**Unrated Securities**”), the Investment Manager or Sub-Investment Manager is permitted to calculate a deemed rating.

The constraints set out below will apply to the Fund. During periods of rapid credit rating downgrades and/or market illiquidity however these constraints may be temporarily exceeded. Where this occurs steps will be taken to bring the Fund into compliance with the constraints stated below within a reasonable period of time.

- The maximum exposure to non-investment grade securities is 20% of the Net Asset Value of the Scheme Property. Credit ratings used for measuring compliance with this rule are the highest of S&P Global Ratings’, Fitch Ratings’ and Moody’s Investor Service long-term ratings.
- The maximum exposure to securities rated less than BB- is 5% of the Net Asset Value of the Scheme Property.
- The maximum exposure to Unrated Securities (including securities that the Investment Manager and/or Sub-Investment Manager have given a deemed rating) is 5% of the Net Asset Value of the Scheme Property.
- The Fund will invest no more than 10% of its Net Asset Value in Collective Investment Schemes including In-House Funds.

The Fund uses derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management. Efficient portfolio management includes hedging (for example, reducing currency risk) and otherwise managing the Fund in a way that is designed to reduce risk or costs and/or to generate extra income or growth with a level of risk consistent with the risk profile of the Fund.

The Fund is managed in accordance with our ethical investment exclusions policy which is set out in further detail on our website at www.ccla.co.uk.

3.3 Ethical and Responsible Investment

The Fund is managed in accordance with CCLA's values-based screening policy.

The Fund follows an ethical investment policy. The ethical investment exclusions applied to the Fund and our policies with respect to ethical investment are set out on our website (<https://www.ccla.co.uk/about-us/policies-and-reports>) or are available from the Manager on request.

With respect to asset backed securities, securitised products and other Fund investments the Investment Manager or Sub-Investment Manager will, on a best endeavours basis, seek to verify whether such investments are in compliance with the Fund's ethical investment policy prior to placing an investment.

The Investment Manager will review the portfolio holdings on a regular basis. To the extent it deems there are securities or exposures in the Fund that are not consistent with the ethical investment policy, the Investment Manager may instruct the Sub-Investment Manager to sell such investments.

3.4 Target Benchmark

The target benchmark for the Fund is SONIA plus 1.75% per annum.

The target benchmark sets a standard against which the performance of the Fund can be assessed.

3.5 Changes to the Investment Objective and Policy

The Board may only alter the Fund's investment objective and, subject to approval by the Board, the Manager may only alter the Investment Policy in accordance with these provisions.

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a **"fundamental change"** within the meaning in the FCA Regulations such an alteration may only be made following prior approval from the Unitholders by way of an extraordinary resolution (having the same meaning as when used in the FCA Regulations and following the same notice procedures for meetings of Unitholders as used in the FCA Regulations).

Where it is proposed that the investment objective or Investment Policy of the Fund be altered and the Board or the Manager (as appropriate) reasonably considers that such an alteration would be considered a **"significant change"** within the meaning in the FCA Regulations such an alteration may only be made following the provision of 60 days' prior written notice to the Unitholders.

By way of guidance, the Board and/or the Manager (as appropriate) may consider the change to be significant rather than fundamental where:

- the proposed alterations do not alter the risk profile of the Fund;
- there is no change to the nature or purpose of the Fund; and
- the Unitholders are not materially prejudiced by the proposed change.

In certain limited circumstances the Board and/or the Manager (as appropriate) may decide that very minor changes to the Investment Policy and/or investment objective of the Fund (for example, those aimed at clarification of the investment objective and/or Investment Policy) would be considered a **"notifiable change"** within the meaning in the FCA Regulations. Such alterations may be made by providing Unitholders with access to an updated copy of these Scheme Particulars. All current scheme particulars for the COIF Charities Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

4. Participation in the Fund

4.1 Target Investors

The Fund is intended for eligible charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least three years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

4.2 Eligible Contributors to the Fund

Any Charity in England and Wales and any appropriate body in Scotland and Northern Ireland within the meaning of the Charities Act 2011 may normally invest in the Fund, unless precluded by a specific provision in the Charity's governing instrument, provided always that such a Charity is recognised by HM Revenue & Customs as a Charity for tax purposes. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of Eligible Contributors (please see the section headed Anti-Money Laundering Requirements below).

Any Charity (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Charity to invest in the Fund. Where a Unitholder (potential or otherwise) is found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and disinvest. The Manager reserves the right to decline any application without giving any reason and to sell Units on behalf of a Unitholder if it reasonably believes that the Unitholder is no longer eligible to invest in the Fund.

4.3 Compulsory Sale of Units where a Unitholder Ceases to be an Eligible Contributor

Where a Unitholder:

- is found not to be eligible or becomes ineligible at a later date; or
- suffers a change in circumstances or is in breach of any applicable law or government rule or regulation which may affect its ability to be an Eligible Contributor,

it, or its nominee, must inform the Manager immediately and at the Manager's request must sell their Units.

As soon as the Manager becomes aware or has reasonable grounds to believe that a Unitholder no longer satisfies the requirements to be an Eligible Contributor, the Unitholder will be deemed to have submitted a sell Units form to sell all the Units held by them in the Fund. Where a Unitholder delays in informing the Manager that it has ceased to be, or may no longer be an Eligible Contributor, the Manager then has the right to treat the request to redeem Units as being made on the date on which the Unitholder's circumstances changed.

The Unitholder agrees that any proceeds of sale in relation to the Units sold as a result of the Unitholder ceasing to be an Eligible Contributor may be retained by the Manager in order to satisfy any losses suffered by the Fund as a result of the Unitholder ceasing to be an Eligible Contributor. Such losses may include, but shall not be limited to:

- any assessment for income or capital gains tax or any other tax to which the Fund would not have been assessed had the Unitholder remained as an Eligible Contributor;
- any distributions paid out to or settled in respect of the Unitholder's Units after the date on which the Unitholder ceased to be an Eligible Contributor; and
- all costs and expenses including professional fees incurred in connection with such assessment.

On the written request of the Manager any Unitholder who is required to sell their Units must:

- irrevocably appoint one or more of the directors of the Manager as its attorney to execute all

instruments and other documentation required to effect a sale of its Units and the Unitholder agrees to ratify all and any acts of the attorney; and

- indemnify the Fund against all losses suffered by the Fund as a consequence of the Unitholder no longer remaining an Eligible Contributor.

If at the time a sell Units form is submitted (or is deemed to have been submitted) to the Transfer Agent, the Transfer Agent has received instructions to sell Units from one or more other Eligible Contributors, the sale of the Units held by a Unitholder who has ceased to be eligible to remain invested in the Fund will be sold in priority to all other sale requests in the queue.

In the event that dealings in the Fund are suspended any deemed or actual instructions for the compulsory sale of Units will not be frozen. In such circumstances the relevant Units will be cancelled and the Manager will make an appropriate provision for the sale proceeds due to the affected Unitholder.

Where an event occurs during a period of suspension that results in a Unitholder ceasing to be an Eligible Contributor, the Unitholder's rights to accrued income will be apportioned according to the date on which the event occurred that triggered the ineligibility.

The sale proceeds will be calculated at the Valuation Point for the next Dealing Day after the lifting of the suspension and will be paid to the Unitholder within four Business Days of the Dealing Day.

4.4 Income and Accumulation Units

Eligible Contributors to the Fund may purchase either Income or Accumulation Units or both. Income Units provide regular income distributions and each Unit represents one undivided share in the Scheme Property. Holders of Income Units receive income distributions quarterly.

Holders of Accumulation Units do not receive distributions. The distributions allocated to the Accumulation Units accumulate within the Fund and are reflected in the price of the Units. The effect of this accumulation of distributions is an increase in the price of an Accumulation Unit relative to the price of an Income Unit. An Accumulation Unit represents an increasing undivided share in the Scheme Property. The right represented by the holding of a Unit is that of a beneficial interest under a trust.

A Unitholder may, subject to the terms of its governing instrument, Convert Income Units into Accumulation Units of the corresponding value or vice versa on any Dealing Day free of charge.

4.5 Registration of Units

The Register is maintained on behalf of the Trustee by the Registrar. Holdings are usually registered in the name of Unitholders (or where applicable, holdings may be registered in the name of a nominee company acting on behalf of a Unitholder). Holdings cannot be registered in the names of the individual trustees. No certificates are issued and the Register is the definitive evidence of title. The Units have no par value and entitle the holder to a proportionate interest in the Fund. Units cannot be assigned or transferred except from one Charity to another. The number of Units held will be certified on written request for audit or other purposes.

The Register may be inspected by or on behalf of Unitholders during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the Units. The Register contains the name of each Unitholder, the number of Units held, the type of Units and the name and address of the correspondent for each account. In addition, the Register may contain the following particulars:

- details of the nominee company acting on behalf of a Unitholder;
- client designation;
- bank account details for the remittance of distributions and withdrawals; and
- authorised signatory(ies) and the number of signatures required.

No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any Unit, and the Manager and the Trustee shall not be bound by any such notice.

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid out of the Scheme Property to the Manager.

4.6 Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether named within the Application Form or associated with the Eligible Contributor (or who are subsequently appointed to act for the Eligible Contributor) to satisfy itself as to the identity of the Eligible Contributor and those acting on its behalf. Proof of identity may sometimes be required either when buying or selling Units from time to time, even of existing Unitholders. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process sale requests or release sale proceeds.

4.7 Fair Treatment of Unitholders

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Unitholders. Such arrangements include, but are not limited to, ensuring that no one or more Unitholders are given preferential treatment over any rights and obligations in relation to their investment in the Fund that would result in a disadvantage to any other Unitholder. All rights and obligations to Unitholders, including those related to subscription and redemption requests, are set out in the Scheme and these Scheme Particulars.

The Manager has established fair and transparent pricing models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Unitholders.

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Unitholders. The Manager has established a process for recognising and dealing with complaints fairly.

4.8 Meetings of Unitholders

Any meeting of Unitholders shall be held in accordance with the FCA Regulations, and all the provisions of the FCA Regulations shall apply to such meetings. A meeting of Unitholders duly convened and held by the Trustee may vote on a resolution:

- to approve a proposed scheme of amalgamation put forward by the Manager and the Trustee (or either of them); or
- to approve a proposed scheme of reconstruction put forward by the Manager and the Trustee (or either of them); or
- to approve fundamental changes of investment objective and Investment Policy.

A meeting of Unitholders has no other powers.

4.9 Changes to Authorised Signatories and Correspondents

A Unitholder must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Charity's holding of Units must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Charity (or the nominee company acting on behalf of the Charity) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Charity. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the

removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

4.10 Short-term or Excessive Trading and Market Timing

The Fund is designed and managed to support medium-term investment and frequent trading is discouraged. Short-term or excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or Switching of, Units, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. For these purposes, the Manager may consider an investor's trading history in the Fund or other funds managed or operated by the Manager or an associate and accounts under common ownership or control.

5. Risks

Investors should consider the following risk factors before investing in the Fund.

5.1 General Investment Risks

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other market assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. The Fund may also invest in a range of non-traditional or alternative asset classes and derivatives. The valuation of these assets can vary materially from those of stock and bond markets. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a reliable indicator of future results.

5.2 Risk Associated with Investment in Other Collective Investment Schemes

The Fund may invest in one or more Collective Investment Schemes including schemes that are managed by the Manager or affiliated companies. In some cases, these Collective Investment Schemes may be unregulated. The Fund may invest in Collective Investment Schemes and other assets which may, on occasions, be illiquid. As the Fund may invest in other funds, Unitholders may incur a duplication of fees and commissions (such as

management fees (including performance fees), custody and transaction fees, other administration fees and audit fees). To the extent these Collective Investment Schemes are permitted to invest in turn in other funds, Unitholders may incur additional fees to those mentioned below.

5.3 Political Risk

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

5.4 Currency Risk

Currency exchange rate fluctuations may impact the value of the Fund which holds currencies or assets denominated in currencies that differ from the Base Currency of the Fund. The Fund may use currency hedging techniques within the limits set by the Board, which may mitigate this risk, however there is no guarantee that this will be either wholly or partially effective.

5.5 Counterparty Risk

Whilst the Investment Manager/Sub-Investment Manager will place transactions, enter into derivatives, hold positions and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

5.6 Credit Risk

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade or high yield bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default and in periods of recession or slow growth the risk of non-investment grade bonds defaulting may be appreciably higher.

5.7 Settlement Risk

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears

the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

5.8 Interest Rate Risk

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

In a negative interest rate environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value.

5.9 Concentration Risk

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

5.10 Securitised Assets Risk

The Fund may purchase securitised products including asset backed or mortgage backed securities. These are debt instruments, typically issued by special purpose vehicles, that are backed by portfolios of largely financial obligations. These instruments are more complex than corporate debt securities and may exhibit variability or uncertainty of average life and market risks, furthermore they may be less liquid in more stressed market environments.

5.11 Leverage Risk

Leverage is a strategy that can be employed by the Fund in an effort to potentially increase income and enhance returns. Leverage can come in a variety of forms including debt and derivative instruments. For example, leverage risk may arise from a combination of holding a long position in a government bond in addition to a credit linked derivative. The use of leverage is subject to risks, including the potential for higher Net Asset Value and market price volatility and fluctuations of distributions.

5.12 Leveraged Loans Risk

Leveraged loans are a type of syndicated loan for below investment grade companies (credit rating below BBB- or Baa3). A leveraged loan may be originated for a variety of reasons including general corporate purposes, refinancing of an existing loan etc. The risk inherent within leveraged loans reflects the perceived low credit rating of the borrower, indicating a higher risk of missed payments on the loan or full default on the principal amount of the loan. The Fund may have exposure to such leveraged loans and as such there is increased risk to the Fund in the event of end borrower default.

5.13 Emerging Market Risk

Securities markets in emerging market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in a lack of liquidity. Accordingly, where the Fund invests substantially in securities listed or traded in such markets, its Net Asset Value may be more volatile than a fund that invests in the securities of companies in developed countries. Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Fund. Many emerging markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess. Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region. Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk. These factors may lead to temporary suspension of dealing in the Fund.

5.14 Operational Risk

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order

to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

5.15 Cyber Event Risk

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, "**cyber-events**"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Unitholders. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Unitholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund's investments to lose value.

5.16 Suspension Risk

In certain circumstances, where the Manager determines that redemption requests may not be met the rights for Unitholders to redeem Units may be suspended, as further set out in these Scheme Particulars. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may consequently impact the Unitholder's own liquidity.

5.17 Inflation Risk

The real value of returns achieved from investment in the Fund will be affected by the rate of inflation experienced over the holding period.

5.18 Other Risks including Terrorism and Pandemic Risk

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Fund and materially and adversely affect its operation.

5.19 Derivatives Risk

The Fund will enter into financial derivative transactions for investment or efficient portfolio management purposes (including hedging). Please see Appendix 2 for details of the derivative instruments that may be used. Furthermore, the Fund may invest in other Collective Investment Schemes that also use derivatives for efficient portfolio management as well as investment purposes.

Derivatives can be volatile and involve various degrees of risk. The market performance of derivatives may not replicate the financial instruments they are designed to mirror, and may additionally carry greater counterparty, settlement or leverage risks. In particular, because many derivative instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a portfolio to the possibility of a loss exceeding the original amount invested and in turn this may affect the value of the Fund's investment in a Collective Investment Scheme which uses derivatives for investment purposes.

For details of how leverage risk arising from derivatives is calculated, please refer to the section headed Leverage in section 6 below.

5.20 Tax Risk

The tax information provided in the "Taxation" section is based on tax law and practice at the date of these Scheme Particulars. Tax legislation, the tax status of the Manager, the Fund, the taxation of Unitholders and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

The availability and value of any tax reliefs to Unitholders will depend on the particular circumstances of individual Unitholders. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Unitholders should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

5.21 Dividend Risk

The Fund makes distributions based on the income received from the fixed interest assets in which it invests. This income may be greater than the yield to maturity of the portfolio. As a result, the capital value of the Fund may be eroded.

5.22 Liquidity Risk

The Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair. Where a fund owns non-traditional or alternative asset classes, non-investment grade instruments or securitised products, it is possible that the liquidity in these assets is more variable than for traditional stocks or bonds.

5.23 Equity Market Risk

The Fund will not purchase equity assets, however, a number of fixed interest securities may have contingent or option related equity risk. This may result in these securities having greater market value volatility than traditional corporate bonds.

5.24 Risk Factors Not Exhaustive

The risks set out in these Scheme Particulars do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5.25 Risk Management Process and Liquidity Management

The Manager employs a risk management process, including the use of appropriate stress-testing procedures, which enables it to identify, measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in these Scheme Particulars.

Other arrangements may also be used in response to redemption requests, including, in extreme cases, temporary suspension which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out in these Scheme Particulars.

6. Investment Powers, Controls and Restrictions

6.1 Investment and Borrowing Powers

Subject to the restrictions set out here and in the Scheme the Manager may invest the Scheme Property at its discretion in any kind of investment which it could make if it were absolutely entitled to the Scheme Property. The Manager must have regard to the need for diversification and suitability of investments and is subject to the restrictions in Appendix 2.

The Fund may, subject to certain restrictions and as a protective measure, undertake forward currency transactions.

The Fund may invest in bonds, debentures or loan stocks issued by governments, local authorities, companies or other undertakings, in convertible bonds, debentures or loan stocks and in preference

or convertible preference shares. The Fund may also invest in securitised products, loans, unlisted debt securities, other Collective Investment Schemes or funds and derivative instruments. The limits applied to each category of asset are detailed in Appendix 2.

The Fund may borrow up to 10% of the Net Asset Value of the Scheme Property temporarily for the purpose of meeting any payment properly to be made out of the Fund. The Fund may also borrow up to 25% of the Net Asset Value of the Scheme Property in connection with the acquisition or management of any land.

These borrowings can only be exceeded with the prior written consent of the Board. For further information on the Fund's borrowings please see the Leverage section below. Cash awaiting investment may be deposited with a bank or in a Common Deposit Fund.

6.2 Breach of Investment Limits

A breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Fund if the consent of the Trustee is obtained but, in the event of a breach, the Investment Manager (or Sub-Investment Manager) must then take such steps as are necessary to restore compliance with the investment limits within a reasonable period of time.

6.3 Investment in In-House Collective Investment Schemes

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds which may be operated or managed by the Manager or an associate of the Manager (**In-House Funds**).

6.4 Securities Markets

The Investment Manager or the Sub-Investment Manager may trade in securities that are admitted to or are traded on an exchange or under the rules of a securities market that has been approved by the Investment Committee from time to time.

6.5 Leverage

This section explains in what circumstances and how the Manager may use leverage as defined by the AIFMD Legislation ("**Leverage**") in respect of the Fund and the maximum level of Leverage permitted.

Leverage means any method by which the Fund increases its exposure whether through borrowing cash or securities or leverage embedded in derivative positions or any other means. The sources of Leverage which can be used when managing the Fund include:

- cash borrowing; and

- financial derivative instruments.

Leverage may be used to facilitate the purchase of Scheme Property, but the Fund does not intend to use its borrowing powers to meet redemption requests. The Investment Manager (or Sub-Investment Manager) may use Forward Foreign Exchange Contracts to hedge any currency exposure in the Fund and other derivatives for investment and efficient portfolio management purposes.

The Manager is required to calculate and monitor the level of leverage of the Fund. Leverage is expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV). The exposure of the Fund shall be calculated in accordance with the commitment method ("**Commitment Method**") and the gross method ("**Gross Method**").

Under the Gross Method, the exposure of the Fund is calculated as follows:

- a) include the sum of all assets purchased, plus the absolute value of all liabilities;
- b) exclude the value of cash and cash equivalents which are highly liquid investments held in the Base Currency of the Fund, that are:
 - readily convertible to a known amount of cash; and
 - are subject to an insignificant risk of change in value;
- c) derivative instruments are converted into the equivalent position in their underlying assets;
- d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- e) include exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed; and
- f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the Commitment Method, the exposure of the Fund is largely calculated in the same way as under the Gross Method; however, whilst certain cash instruments and cash borrowings are included, the exposure of derivative or security positions employed in hedging and netting arrangements are not included in this calculation, provided certain conditions are met. These conditions aim to ensure that only those trades which offset the risks linked to other trades, leaving no material residual risk, are taken into account.

Further information regarding these different Leverage calculation methods can be found in the AIFMD Legislation and the investment risk management policy, which is available upon request from the Manager.

Where derivatives are used for purposes other than hedging there will be a corresponding increase in the net Leverage of the Fund. Such Leverage will

increase the potential exposure of the Fund to market risks and therefore increase the volatility of the Fund's capital value and future returns.

The total amount of Leverage employed by the Fund will be disclosed in the Fund's Report and Accounts.

The maximum levels of Leverage are as follows;

Gross Method: 300%

Commitment Method: 200%

As these calculations of regulatory leverage do not fully take into account whether a particular financial derivative instrument increases or decreases investment risk, they will not necessarily be fully representative of the actual level of investment risk within the Fund.

It is not intended that the Trustee or any sub-custodian shall be entitled to re-use for its own benefit any of the Fund's assets with which it has been entrusted.

7. Pricing of Units and Valuation of the Fund

7.1 Valuation Point

The Manager values the Scheme Property at 12:00 noon on each Dealing Day for the purpose of determining the prices at which Units may be issued, cancelled or redeemed. The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Valuation Points.

The Manager may also, at any time during a Business Day, carry out an additional valuation of the Scheme Property for the determination of Unit prices if, after consultation with the Trustee, it is considered desirable to do so.

7.2 Valuation of the Fund

The Scheme Property is valued in accordance with the FCA Regulations and the value of the Fund shall be the value of its assets less the value of its liabilities. The valuation of exchange traded securities is carried out at mid-market prices at the Valuation Point. The valuation of non-exchange traded securities is determined as follows;

- units in a Collective Investment Scheme – if the scheme is single priced then that price will be used. If the scheme is dual priced the mid-market price will be used;
- private equity holdings – the Manager will calculate the price based on valuation information provided by the private equity company;
- other assets – the Manager will value all other assets at a value which, in the opinion of the

Manager, represents a fair and reasonable value based on independent inputs.

The Unit price includes the value of the income of the Fund which has not been declared as a distribution or accumulated by the Fund on the Dealing Day.

The amount of income to be included is the amount of income received by the Fund up to and including the Dealing Day, together with the amount of income accrued and including any UK tax credits to which the Fund is entitled. Any overseas income is treated on the same basis except that overseas tax deducted at source is only credited to the income of the Fund on receipt of claims made under double taxation treaties. All expenses paid or accrued on the same basis as the income will be deducted from the income.

7.3 Unit Prices

Dealing in Units takes place on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the Manager. Units in the Fund are single priced and prices of Units are expressed in the Base Currency. The prices of the Units are based on the Net Asset Value per Unit.

The Unit prices represent the buying and selling prices for Unitholders and also the creation and cancellation prices for the Trustee. No Units are held by the Manager or any other party involved in the management of the Fund other than in the capacity as a custodian or trustee for an Eligible Contributor.

7.4 Dilution Adjustment

The actual cost of purchasing or selling assets and investments in the Fund may vary due to dealing charges, taxes, and any spread between buying and selling prices of the underlying investments of the Fund. These costs could have an adverse effect on the value of the Fund, known as **"dilution"**. In order to mitigate the effect of dilution the Manager may at its discretion adjust the sale and purchase price of Units to take into account the possible effects of dilution to arrive at the price of the Units. This practise is known as making a **"dilution adjustment"** or **"swing pricing"**. The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Fund. If the price of the Units does contain a dilution adjustment, such dilution adjustment will be paid into the Fund and will become part of the Scheme Property thus mitigating the effects of dilution that would otherwise constrain the future growth of the Fund.

The Manager reserves the right to make a dilution adjustment every Dealing Day. The dilution adjustment is calculated using the estimated

dealing costs of the Fund's underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The discount or premium to NAV per Unit (i.e. the rate of dilution adjustment) will depend on the volume of subscriptions or redemptions of Units and the Manager is not currently able to predict the likely frequency of such events. The Manager may in its discretion make a dilution adjustment if, in its opinion, the existing Unitholders, in the case of subscriptions, or remaining Unitholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Unitholders and potential Unitholders. In particular, the dilution adjustment may be made in relation to the Fund in the following circumstances:

- where the Fund is expanding or contracting;
- where the Fund is experiencing a large net subscription position or a large net redemption position relative to its size on any Dealing Day; and
- in any other case where the Manager is of the opinion that the interests of Unitholders requires the imposition of a dilution adjustment.

The Fund is regarded as expanding where, based on the daily movements in and out of the Fund, the Fund has experienced a material net inflow of money over a period of time. The Fund is regarded as contracting where, over a period of time, the Fund has experienced a material net outflow. The Fund is regarded as level where it is considered to be neither expanding nor contracting based on the above criteria.

Where the Fund is expanding, the Manager will normally swing the price to "**offer**" (i.e. increase the price by the adjustment rate referred to above), however the Manager may leave the price at "**mid**" (i.e. the price without any adjustment applied) if the flows are not of significant size relative to the size of the Fund.

Where the Fund is contracting, the Manager will normally swing the price to "**bid**", however the Manager may leave the price at "mid" if the flows are not of significant size relative to the size of the Fund.

The dilution adjustment will be applied to the Net Asset Value per Unit resulting in a figure calculated up to four 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 Units. The most recent dilution adjustment figures can be obtained from the Manager on request.

On the occasions when a dilution adjustment is not applied if the Fund is in a net subscription position or a net redemption position, there may be an adverse impact on the assets of the Fund attributable to each underlying Unit, although the

Manager does not consider this likely to be material in relation to the potential future growth in value of a Unit. As dilution is directly related to the inflows and outflows of monies from the 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 Manager will need to make a dilution adjustment.

In normal market conditions and under the tax and exchange fee regimes currently in operation in the relevant markets, the dilution adjustment is, based on historical data, likely to be in the range of minus 0.35% (for redemptions) to plus 0.35% (for subscriptions). Positive dilution adjustment figures indicate a typical increase from mid-price when the Fund is experiencing net inflows. Negative dilution adjustment figures indicate a typical decrease from mid-price when the Fund is experiencing net outflows. In more volatile or less liquid market conditions the dilution adjustment could be materially wider.

7.5 Publication of Prices and Performance

The Unit prices are published on every Dealing Day on the Manager's website www.ccla.co.uk or can be obtained by calling 0800 022 3505 during the Manager's normal business hours. As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can deal.

The Unit prices may also appear in other third party websites or publications. The Manager does not accept responsibility for the accuracy of the Unit prices published in, or for the non-publication of Unit prices by, these sources for reasons beyond the control of the Manager.

The Fund's past performance is set out in Appendix 3 and is also available on the Manager's website www.ccla.co.uk.

8. Dealing in Units

8.1 Application for Units

To apply for Units, the Applicant must have an active open account. An application to open (or reactivate) an account will normally take up to five Business Days provided all documents required are provided along with the Application Form. Instructions cannot be accepted until the account is active.

All instructions to buy and sell Units must be received on or prior to the Dealing Deadline if they are to be processed at the prices to be calculated on that day. Instructions received after this time will be held over to the next Dealing Day.

The Manager will execute purchases or redemptions on the instructions of the investor at the published Unit price at the relevant Valuation Point. Units can only be created or cancelled through the Trustee on behalf of the Fund.

8.2 Minimum Initial and Subsequent Investments

The normal minimum initial investment in the Units is £1,000. Any additional amount may be invested thereafter. The Manager reserves the right to waive the minimum initial investment amount.

8.3 Buying Units

Applications for the initial purchase and all subsequent purchases of Units must be made using a completed buy Units form. By completing the form, the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the Dealing Deadline or by opting to debit a COIF Charities Deposit Fund account in the Unitholder's name or their nominee at the same time as the submission of the buy Units form.

Cheques, if used, must be drawn on an account in the name of the Applicant/Unitholder and made payable in the Base Currency of the Fund to **"CCLA Fund Managers Limited CMPA"**. Purchases will be processed on the relevant Dealing Day providing the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the Dealing Deadline.

Except as specified below (in the section titled Applications from nominees), applications to purchase Units can only be actioned on a particular Dealing Day if, on or prior to the Dealing Deadline:

- a correctly completed buy Units form has been received by the Transfer Agent; and
- the Trustee is in receipt of cleared funds.

Applications from nominees

Where a nominee company acts on behalf of an Applicant/Unitholder, the Transfer Agent may process an application to buy Units which has been received on or prior to the Dealing Deadline even where the Trustee is not in receipt of cleared funds.

Where the Transfer Agent has acted upon such an instruction, cleared funds must be received by the end of two Business Days following the Dealing Day. Should cleared funds not be received by this time, the Manager reserves the right to immediately redeem any Units created as a result of that instruction.

The nominee company will be responsible for any losses (including costs, expenses or other liabilities) incurred as a result of that nominee company failing to provide cleared funds by the end of two Business Days following the relevant Dealing Day. Such losses may include (without limitation) any loss sustained

by the Manager or the Fund as a consequence of a fall in the price of Units and any costs sustained by the Manager or the Fund when redeeming such Units.

Provisions applicable to all applications

Bank accounts of Applicants/Unitholders should be held with a banking institution in the United Kingdom and payments made payable in the Base Currency of the Fund.

Applications to purchase, once made, are irrevocable. However, subject to its obligations under applicable law and regulation, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the Applicant/Unitholder (or nominee company, where applicable), any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the Applicant/Unitholder.

The Manager may also, at its discretion, suspend the issue of new Units if any such new issue would prevent the orderly investment of monies by the Fund.

When monies are received early, they will be banked in a client money account for investment on the next Dealing Day providing a corresponding buy Units form has been received. Interest will not be payable on these monies.

On acceptance of an application, Units will be issued at the relevant Unit price. A contract note will normally be dispatched by the end of the next Business Day following the Dealing Day. The contract note inter alia, will show certain information, such as the number of Units and the issue price. Units are issued to two decimal places.

The Manager reserves the right not to execute a transaction until the charitable status and eligibility of the Applicant has been demonstrated.

Conditional Orders

The Transfer Agent cannot accept conditional purchase or sale instructions from investors. A conditional order is one where the instruction specifically states that a purchase or sale may only proceed at a specified price, e.g. purchase £50,000 worth of the Fund Units if the Unit price is less than £5.

8.4 Selling Units

All instructions to sell Units must be made using a completed sell Units form and be received by the Transfer Agent on or prior to the Dealing Deadline to obtain that day's price. On acceptance of a redemption, Units will be redeemed at the relevant Unit price. A contract note detailing the transaction will normally be sent out by the close of business on the next Business Day.

Proceeds of sales will be remitted to the nominated bank account of the Unitholder or be paid direct to a COIF Charities Deposit Fund account held in the name of the Unitholder. Proceeds relating to settlement of sales are usually remitted within four Business Days of the Dealing Day.

In the event funds are returned, the Manager will take reasonable steps to contact the Unitholder to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Unitholder's payment instructions being incorrect or not being kept up to date.

Proceeds that are transferred to a COIF Charities Deposit Fund account are usually credited with effect from the settlement date (two Business Days after the Dealing Day).

8.5 Deferred Redemptions

If requested redemptions from the Fund on a particular Dealing Day exceed 10% of the value of the Fund, redemptions of Units may be deferred to the next Valuation Point. Any such deferral will only be undertaken in such manner as to ensure consistent treatment of all Unitholders who had sought to redeem Units at the Valuation Point at which redemptions were deferred. Deferral will be pro-rated based on the value of Units being redeemed (provided that the Manager may determine in its discretion a value threshold below which all redemptions will be effected and above which the foregoing pro rata deferral shall apply) and so that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

8.6 Regular Trades

An Applicant/Unitholder may buy and sell Units at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For purchases, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form the Applicant/Unitholder will confirm that they have received, read and understood the Key Information Document. For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

8.7 Conversion and Switching

A Unitholder may Convert or Switch all or some of their Units ("**Original Units**") for Units of a different type or units in another COIF Charities Fund ("**New Units**").

A Conversion is an exchange of Income Units for Accumulation Units or vice versa.

A Switch is an exchange of Units for units in another COIF Charities Fund.

The number of New Units issued to a Unitholder following a Conversion or a Switch will be determined by reference to the price of the Original Units relative to the price of the New Units at the relevant Valuation Point, and in the case of Switches, to the relevant valuation point of the other COIF Charities Fund.

Unitholders are required to provide written instructions to the Transfer Agent before the Switch or Conversion is effected. Moreover, a Switch to another COIF Charities Fund will require the Unitholder to confirm that they have received, read and understood the Key Information Document for the relevant fund.

Whilst Switches between the COIF Charities Funds are permitted at any time, Switches involving the COIF Charities Property Fund can only be undertaken on the COIF Charities Property Fund dealing day. Further details are available in the relevant scheme particulars for this fund on the Manager's website.

8.8 Securities Exchange

Quoted securities in which the Fund has power to invest may be offered to the Fund in exchange for the issue of Units on a Dealing Day. If accepted, securities are taken in at mid-market valuation. The Manager has absolute discretion as to the securities that will be accepted. The procedure for exchange is complex and may require some time for completion; further details are available upon request. Neither the Trustee nor the Manager accepts any responsibility for any fluctuation in asset values during the transition into Units. It is the investor's responsibility to arrange for the transfer of acceptable securities to the Fund. Neither the Trustee nor the Manager accepts any responsibility or liability for any loss that may arise as a result of any failure or delay in the transfer of securities by an investor or an investor's investment manager.

8.9 Large Deals

Deals of any size can normally be completed without delay, and there is normally no restriction on the carrying out of transactions. For the purpose of these Scheme Particulars, a large deal is one of £1,000,000. The Manager may, at its discretion, elect to settle such deals by way of a transfer of securities from the assets of the Fund to the seller (in specie transfer) and may be applied at the discretion of the Manager and subject to the agreement of the Trustee.

8.10 Trustee's Refusal to Issue or Cancel Units

The Trustee has the power to refuse to issue or cancel Units where:

- a) the Trustee is of the opinion that it is appropriate to do so; or
- b) the Trustee considers that there may be an issue with the Manager's ability or competence to continue as the Manager of the Fund; or
- c) on receipt of instructions from the Manager to issue or cancel Units, the Trustee is of the opinion that such action would result in a breach of law or regulation; or
- d) the Applicant may be ineligible for the Fund; or
- e) there may be potential detriment to the Fund; or
- f) it is not in the interests of Unitholders that:
 - Units should be issued; or
 - Units should be cancelled; or
 - Units should be issued or cancelled in the number requested by the Manager.

In all the cases where the Trustee refuses to issue or cancel Units the Trustee must give notice to the Manager that the Trustee refuses to issue or, as the case may be, cancel, all, or a specified number of, the Units.

On giving such a notice the Trustee is relieved of the obligation to issue or cancel the number of Units to which the notice relates.

8.11 Suspension of Dealing

In exceptional circumstances, the Manager may, if the Trustee agrees, or shall, if the Trustee requires, suspend at any time for a period of up to 28 days the issue, cancellation, buying and selling of Units. The Manager or the Trustee must be of the opinion that there is good and sufficient reason to do so, having regard to the best interests of the Unitholders. No Units can be bought or sold during this period. The Manager will notify Unitholders as soon as reasonably practicable if it is decided to suspend dealing in the Fund.

8.12 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("**CASS**") where it holds client money (as defined by CASS).

Client money typically arises during the creation and redemption processes where a Unitholder passes money to the Manager for the purpose of investing in Units or the Manager passes money due to the Unitholder as the result of the redemption of Units. All subscriptions are received into a client money account and all redemptions are passed into, and paid from, a client money account. Unitholders should note that in their dealings in Units the Manager is responsible for arranging for the issue and the cancellation of the Units.

Money received for subscription or redemption of

Units: Any money which is received by the Manager prior to investment in the Fund or following a redemption of Units will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Unitholders' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Unitholder.

Insolvency of the third-party bank holding client

money: If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the investors against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the amount of client money held with the bank and any client money claimed by the Manager on behalf of investors. In these circumstances, investors will share that shortfall with all other clients in proportion to their respective claims, and investors may not receive back all the client money due to them.

8.13 Execution Services

In accordance with the FCA Regulations, the Investment Manager must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund and must establish and implement an order execution policy to allow it to obtain the best possible result and to ensure that all sufficient steps are taken to act in the Unitholders' best interests in line with its treating customers fairly policy.

The Investment Manager's order execution policy sets out the basis upon which the Investment Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations in relation to execution. Details of the order execution policy are available on the Manager's website www.ccla.co.uk. A copy will also be made available on request.

9. Distributions to Unitholders

9.1 Quarterly Distribution

Distributions are calculated quarterly on the last Business Day of each calendar quarter, being March, June, September and December (the “**Ex-dividend date**”).

The distribution is based upon undistributed income received and receivable to each quarterly date less any costs and expenses for the period and subject to flows to or from the Income Reserve Account (see below).

Distributions in respect of the preceding quarter are usually paid on the last Business Day of the second calendar month following the Ex-dividend date, being May, August, November and February.

Monies will be paid directly to a bank account held in the name of the Unitholder (or a nominee company acting on behalf of the Unitholder) or paid into a COIF Charities Deposit Fund account in the name of the Unitholder (or nominee company acting on behalf of the Unitholder).

In addition, if a distribution made in relation to any Income Units remains unclaimed over the subsequent three accounting periods for which distributions are made for those Units, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Units remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

Holders of Accumulation Units do not receive distributions of income as explained under the section headed Income and Accumulation Units in section 4 above.

Changes in tax law and regulations may affect the basis of calculation and payment of distributions.

9.2 Income Reserve Account

Each quarter income may be transferred to an Income Reserve Account which reduces the amount available for distribution in respect of that quarter, or income can be transferred from the Income Reserve Account to the Distribution Account, which increases the amount available for distribution. The Income Reserve Account is used to even out fluctuations in income available for distribution which may arise from time to time. The amount held in the Income Reserve Account forms part of the capital of the Fund and is included in the price of Income Units until it is used in the payment of a distribution. The Income Reserve Account is used in respect of Income Units only. Additionally, where there is a balance brought forward on the Income Reserve Account new holders of Income Units are acquiring a right to a proportion of the income reserve, and

those selling are giving up the right to the income reserve of the Fund.

9.3 Equalisation

The first allocation of income within a distribution to which a Unitholder is entitled, following the purchase of Units, is calculated as if the purchase had been made at the beginning of the quarter. The distribution will therefore include that part of the purchase price consisting of income from the beginning of the quarter to the date of purchase.

10. Reporting

10.1 Regular Statements

Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

10.2 Report and Accounts of the Fund

The Report and Accounts of the Fund are normally prepared for the half year to 30 June (unaudited) and the year to 31 December (audited).

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and the half-yearly Report and Accounts for the period to 30 June (the interim accounting date) within six months of the end of the relevant period.

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management. The Report and Accounts will also include details of any change to the Fund's use of Leverage and further disclosures required by the AIFMD Legislation.

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

11. Complaints and Compensation

11.1 Complaints

The Manager has established a complaints policy to investigate complaints received.

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix 1.

Unitholders who are eligible complainants (as defined in the FCA Regulations) may have the right

to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Unitholder. The address, telephone number and website of the FOS is shown in Appendix 1.

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

11.2 Compensation

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it has acted on the instructions of the Unitholder (or nominee company acting on behalf of the Unitholder) in accordance with the mandate.

In certain circumstances a Unitholder may be entitled to protection from the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. However, please be aware that the compensation limits from the FSCS apply at a firm level. This means, for example, that if the Manager cannot meet its obligations and a Unitholder has investments in more than one CCLA fund (and each fund is eligible under the FSCS), then it is likely that the maximum amount that would be protected would be £85,000, provided the Unitholder is eligible to claim.

For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

12. Charges and Expenses

12.1 Remuneration and Expenses of the Trustee

The Scheme provides for the remuneration of the Trustee out of the Scheme Property by way of a periodic charge (plus VAT, if applicable and if any), and the reimbursement of expenses (including VAT, if applicable and if any) properly incurred by the Trustee. The rate of the Trustee's periodic charge is to be agreed in writing with the Board from time to time.

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

- delivery of securities to the Trustee;
- custody of assets;
- collection of income;
- submission of tax returns;
- handling of tax claims;
- preparation of the Trustee's annual report; and
- such other duties as the Trustee is required or empowered by law to perform.

The maximum periodic charge that may be made by the Trustee, subject to the prior written approval of

the Charity Commission, is 0.03% per annum, (plus VAT, if applicable and if any), of the value of the Scheme Property.

The actual periodic charge agreed with the Board is calculated on a sliding scale:

- 0.0075% per annum on assets up to £100m;
- 0.0056% per annum on assets from £100m to £500m;
- 0.0038% per annum on assets over £500m.

The periodic charge (plus VAT, if applicable and if any), accrues daily to the Scheme Property and is payable monthly in arrears.

Any increase in the actual or maximum amount of the periodic charge made by the Trustee shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

In addition to the annual charge the Trustee is entitled to be paid custody charges as follows:

- Transaction – £3 to £67.50 per transaction;
- Safekeeping – 0.003% to 0.1875%.

12.2 Remuneration and Expenses of the Manager

The Annual Management Charge has been agreed by the Board and approved by the Charity Commission. Currently the charge is 0.22% (plus VAT, if applicable) per annum of the Net Asset Value of the Scheme Property. The Annual Management Charge accrues daily and is calculated by reference to the Net Asset Value of the Scheme Property on the immediately preceding Valuation Point. The accrued Annual Management Charge is paid from the Fund monthly in arrears.

The Annual Management Charge will be paid 100% from income.

Where applicable, to avoid double charging, rebates of charges on holdings in the other funds managed or operated by the Manager or an associate are calculated and applied to the Fund. However, it should be noted that such rebate would not include any management charges paid to the Sub-Investment Manager.

Any increase in the actual or maximum amount of the Annual Management Charge shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

12.3 Preliminary Charge

The Scheme provides for a preliminary charge to be included in the price at which Units may be purchased, out of which the expenses and remuneration of the Manager may be paid. No preliminary charge is currently levied.

The introduction of a preliminary charge and any increase in the actual or maximum amount of a preliminary charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.4 Redemption Charge

The Scheme provides for a redemption charge to be included in the price at which Units may be sold, out of which the expenses and remuneration of the Manager may be paid. No redemption charge is currently levied.

The introduction of a redemption charge and any increase in the actual or maximum amount of a redemption charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Unitholders;
- the prior written agreement of the Board; and
- the prior written approval of the Charity Commission.

12.5 Inducements

In accordance with the FCA Regulations, the Manager when executing orders or placing orders with other entities in relation to financial instruments for execution on behalf of the Fund must not accept and retain any fees, commission or monetary benefits from a third party.

The Manager must not accept any non-monetary benefits when executing orders or placing orders with other entities for execution in relation to financial instruments on behalf of the Fund, except those which are capable of enhancing the quality of the service provided to the Fund, and which are of a scale and nature such that they could not be judged to impair the Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Fund.

12.6 Research

Certain brokers may from time to time provide research services to the Investment Manager/Sub-Investment Manager which are used by the Investment Manager/Sub-Investment Manager in its

management of the Fund. The costs and expenses for such research services will be borne by the Investment Manager/Sub-Investment Manager.

12.7 Other Expenses

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

- a) brokers' commission (where such payment may be made in accordance with the FCA Regulations), fiscal charges and other disbursements which are:
 - necessary or properly to be incurred in effecting transactions for the Fund;
 - normally shown in contract notes, confirmation notes, and margin accounts as appropriate;
- b) interest on borrowing permitted by the Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing;
- c) taxation and duties payable in respect of the Scheme Property, the Scheme or the issue of Units, if applicable;
- d) any costs incurred in modifying the Scheme where modification is:
 - necessary to implement, or necessary as a direct consequence of, any changes in the law; or
 - expedient having regard to any change in the law made by or under any fiscal enactment; or
 - to remove obsolete provisions from the Scheme; or
 - agreed by the Manager and Trustee to be in the interests of Unitholders.
- e) liabilities on a unitisation, amalgamation or reconstruction arising in certain circumstances;
- f) the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor;
- g) the proper expenses of the Board;
- h) the fees of any relevant regulatory authority in a country or territory in which Units are or may be marketed;
- i) any costs incurred through purchasing and holding third-party funds; and
- j) such other fees and expenses as may from time to time be agreed with the Trustee and depositary.

13. Conflicts of Interest

13.1 Conflicts of Interest Policy

The Manager and Investment Manager operate a conflicts of interest policy to ensure that their clients are treated fairly. The policy seeks to avoid

circumstances which they consider may give rise to potential conflicts of interest and materially disadvantage their clients. It describes the controls and arrangements for preventing the Manager, the Investment Manager and their staff from:

- favouring one client over another;
- making a financial gain, or avoiding a financial loss, at the expense of the client;
- favouring a member of staff over a client;
- providing to (or receiving from) a person other than the client, an inducement in relation to a service provided to the client, in the form of a financial interest;
- market abuse and disclosing confidential information;
- giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;
- favouring one of the Investment Manager's owners at the disadvantage of its clients;
- not disclosing the Investment Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and
- not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

13.2 Trustee and Depositary Conflicts of Interest

From time to time actual or potential conflicts of interest may arise between the depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Fund. The depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Fund, the Unitholders or the Manager on the one hand and the depositary on the other hand. For example, such actual or potential conflict may arise because the depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund or the Manager and from which fees and profits in relation to the provision of those products or services may arise and from which the depositary may benefit directly or indirectly. In addition, the depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other

clients whose interests may conflict with those of the Fund, the Unitholders or the Manager.

In particular, HSBC Bank plc may provide foreign exchange services to the Fund for which they are remunerated out of the Scheme Property. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Fund; provide broking services to the Fund and/or to other funds or companies; act as financial adviser, banker, derivatives counterparty or otherwise provide services to the issuer of the investments of the Fund; act in the same transaction as agent for more than one client; have a material interest in the issue of the investments of the Fund; or earn profits from or have a financial or business interest in any of these activities.

The depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed.

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

13.3 Material Interests and Conflicts

The Manager, the Investment Manager, the Sub-Investment Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

The Trustee may, from time to time, act as trustee of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations and the AIFMD Legislation, ensure that the performance of their respective duties will not be impaired by any such involvement.

The Fund has the power to invest in other funds operated or managed by the Manager or an associate of the Manager, and a rebate of charges is made to ensure no double charging of the management fee. However, it should be noted that such rebate would not include any management charges paid to the Sub-Investment Manager.

The Manager operates a client relationship management service to offer suitable support to Charities. It should be noted that this service is associated with the COIF Charities Funds and that the COIF Charities Investment Fund owns 22.37% of the share capital of the Investment Manager as at 31 December 2022.

14. Taxation

14.1 General

The Fund has charitable status and is recognised as a Charity for UK tax purposes. As a Charity, the Fund should not be subject to UK tax on gains (provided such gains are applied for Charitable Purposes) or income from investments (provided such income is applied for Charitable Purposes). Tax suffered on investment income from UK equity dividends is not recoverable. To the extent that the Fund invests overseas, it may not be possible for the Manager to recover withholding tax suffered. As a Charity, the Fund is exempt from UK Stamp Duty.

Distributions by the Fund are made gross (i.e. without deduction of tax). Unitholders should not be liable to UK tax in respect of such distributions provided such income is applied for Charitable Purposes.

Distributions are paid and reinvested income is credited gross to Unitholders on the basis that all UK taxation has been both reclaimed and recovered. Overseas income is credited net and any overseas withholding tax is credited to income when it is recovered. No deductions in respect of tax are made with regard to income distributions or income passed to capital.

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

This is the Manager's understanding of the tax position as of the date of these Scheme Particulars. The tax position may change in the future. Unitholders should obtain their own tax advice in respect of their own position. Unitholders will be notified in writing with regards to any material changes in the tax position of the Fund.

15. Termination

15.1 Winding Up

If, upon consideration of the Board's representations (if any), the Trustee remains of the opinion that a winding up of the Fund is expedient in the interests of the Unitholders, the Trustee may execute a written declaration that the Fund is to be wound up, and if it does so, the Trustee shall send copies of the

declaration to the Charity Commission, the Manager and the Board and publish it as the Charity Commission may direct.

Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Unitholders will be deemed to have submitted a sell Units form to sell their Units to the Manager.

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Unitholders pro rata to their holdings.

Any sell Units forms already received by the Transfer Agent to sell Units in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed sales that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to sell have been processed the Scheme Property will be distributed to the remaining Unitholders on a pro-rata basis according to the number of Units held by them in the Fund. The Manager has discretion to make in-specie redemptions in place of payments in cash.

In the event of winding up, any amount in the Income Reserve Account is distributed at the discretion of the Trustee.

16. General Information

16.1 Data Protection

The Manager is a data controller and the Transfer Agent is a data processor in accordance with the Data Protection Legislation and both will hold personal data about each Unitholder's representatives (referred to below as "**representatives**") that has been supplied to the Manager or Transfer Agent (whether by the representative, a Unitholder or otherwise) as set out in the Manager's Privacy Notice. Each Unitholder agrees to ensure that the contact details and other personal data provided for it and its representatives to the Manager and Transfer Agent remains up to date at all times.

The Unitholder acknowledges that the Fund may invest in investment schemes operated and managed by the Manager and/or by third parties (referred to below as "**investment schemes**") and that the Manager may need to pass data, including personal data regarding the representatives, to those investment schemes. The Manager will not pass on any personal data to any other third party or permit the investment schemes to pass the personal data to third parties except: (i) where, in relation to the performance of its services to the Unitholder, the

Manager (or the investment scheme) sub-contracts part of the services or any support services; (ii) as agreed by the Unitholder; or (iii) where required to do so for legal or regulatory purposes as set out in the Manager's Privacy Notice.

The Manager (and the investment schemes) may keep records of all business transactions for at least seven years. Unitholders have a right to inspect copies of contract notes and entries in the Manager's books or computerised records relating to their transactions. Their representatives also have certain rights under applicable Data Protection Legislation, including the right to access copies of their personal data and change the permissions given in respect of the processing of it. The Manager will treat all Unitholders' records as confidential and so reserves the right to provide copies of the Unitholder/representative's particular record, rather than allow access to files which may contain information about other Unitholders. Requests to access the above records/personal data or to exercise any other rights under applicable Data Protection Legislation should be directed to The Data Protection Adviser at the Manager's office, One Angel Lane, London EC4R 3AB.

16.2 Telephone and Electronic Communications

Please note the Manager and Transfer Agent may record telephone calls for training and monitoring purposes and to confirm instructions.

16.3 Corporate Actions

The Fund will take an active policy with regard to corporate actions and voting.

16.4 Amending these Scheme Particulars

These Scheme Particulars may be updated or amended by the Manager from time to time, subject where applicable to the approval of the Board or the Charity Commission where necessary as set out in the Scheme and these Scheme Particulars, and in relation to any changes to the investment objective and Investment Policy only in accordance with the provisions dealing with such changes as set out above in these Scheme Particulars.

The approval of the Board is necessary where the Manager seeks to amend the investment objective or Investment Policy, or where the Manager wishes to enter into a course of borrowing in excess of 10% of the Net Asset Value of the Scheme Property.

The approval of the Charity Commission is required in the following circumstances:

- if it is proposed that the fees of the Manager or the Trustee be increased; or
- if any amendment is proposed that modifies or relaxes any duty to account to the Fund which

may result from a conflict of interest or duty on the part of the Trustee, Manager or other person.

The Manager will endeavour to give Unitholders 30 days' notice of changes to the Scheme Particulars save in respect of any proposed increase in the fees of the Manager and/or Trustee when a minimum of 90 days' prior notice is required to be given under the Scheme. For changes other than changes to the fees of the Manager and/or Trustee, in some circumstances it may not be possible to give 30 days' notice when changes are required for regulatory or other reasons.

16.5 Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

16.6 Acceptance of Terms and Conditions

By completing the Application Form the Applicant acknowledges and accepts the terms and conditions set out in these Scheme Particulars and the Scheme and agrees to be bound by them.

16.7 Applicable Law and Jurisdiction

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules the latter shall prevail.

These Scheme Particulars summarise the terms on which the Fund operates. For further information as to the terms on which Units are issued, reference should be made to the Scheme which is available upon request from the Manager.

By applying for Units, a Unitholder acknowledges that it will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Unitholder's investment in the Fund or any related material.

16.8 Additional Information

A Unitholder is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

The Manager will make available copies of the Scheme Particulars, Key Information Document, factsheet and annual and half yearly Report and Accounts on its website www.ccla.co.uk. Alternative formats of these documents are available upon request from clientservices@ccla.co.uk.

If a hard copy or an email copy of any of these documents or the Scheme is required, please contact Client Services on 0800 022 3505.

Appendix 1 – Directory

Trustee and Depositary

The Trustee and depositary of the Fund is HSBC Bank plc which is a public limited company, incorporated in England and Wales. It is a 100% subsidiary of HSBC Holdings plc, incorporated in England with limited liability. Its principal business is banking. The Head Office, which is also the registered office, is at 8 Canada Square, London E14 5HQ.

Manager

The Manager of the Fund is CCLA Fund Managers Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. The Manager is authorised by the FCA as a full scope UK AIFM and is entered on the FCA's register under reference number 611707.

The main business activity of the Manager is the management of unregulated and regulated Collective Investment Schemes in the form of UK AIFs.

CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited. Registered office at One Angel Lane, London EC4R 3AB.

Incorporated on 16 October 2013.

Directors of CCLA Fund Managers Limited are:

J. Bailie (Chairman)*

D. Sloper

E. Sheldon

J. Berens

N. McLeod-Clarke*

(* indicates a Non-Executive Director)

The Manager also manages the COIF Charities Investment Fund, the COIF Charities Ethical Investment Fund, the COIF Charities Global Equity Fund, the COIF Charities Property Fund and the COIF Charities Deposit Fund.

CCLA Fund Managers Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

Investment Manager

The Investment Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales

and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at One Angel Lane, London EC4R 3AB.

Sub-Investment Manager

The Sub-Investment Manager of the Fund is Hermes Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered Office at Sixth Floor, 150 Cheapside, London EC2V 6ET.

The Board of the Fund

The members of the Board are:

K. Corrigan

J. Hobart

N. Morecroft (Chairman)

A. Watson

C. Ong

Administrator

The Administrator of the Fund is HSBC Bank plc, 8 Canada Square, London E14 5HQ.

Registrar

The Registrar of the Fund is CCLA Fund Managers Limited. The Register may be inspected at the registered office of CCLA Fund Managers Limited during normal business hours by a Unitholder or any Unitholder's duly authorised nominee/agent.

Transfer Agent

The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

Auditor

The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

Address for Complaints

Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, One Angel Lane, London EC4R 3AB or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

Unitholders who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR (telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

Appendix 2 – Eligible Investments and Restrictions

Securities

Save as provided in the section headed Additional below, the Investment Manager or Sub-Investment Manager shall not invest the Scheme Property in transferable securities which are not approved securities (an approved security being a transferable security that is admitted to official listing in the United Kingdom or a European Economic Area State or is traded on an exchange or under the rules of an eligible securities market (otherwise than by the specific permission of the market authority)).

The Fund will not invest in securities underwritten by the Manager or the Investment Manager.

The Investment Manager shall not invest more than 10% of the Net Asset Value of the Scheme Property as at the date of the investment in transferable securities issued by any single body, other than government and public securities.

The Fund will invest in a range of fixed and floating rate debt and/or debt related instruments including the following:

- Bonds issued by corporates and governments (government and public securities)
- Private placements including those pursuant to Rule 144A¹ and/or Regulation S² in the United States
- Leveraged loans
- Floating rate notes
- Inflation-linked securities
- Asset backed securities/Mortgage backed securities
- Third party funds and other Collective Investment Schemes
- Money market instruments
- Cash and cash equivalents

Such securities may be issued by issuers located in developed and emerging markets (as defined by MSCI for the purposes of its developed and emerging markets indices).

1. refers to a legal provision under the U.S. Securities and Exchange Commission (SEC) regulations that allows privately placed securities to be traded among qualified institutional buyers.

2. An SEC regulation allowing publicly-traded companies not to register stocks sold outside the United States to foreign investors.

- At least 80% of the Net Asset Value of the Scheme Property must be invested in securities rated investment grade by one of S&P Global Ratings, Fitch Ratings or Moody's Investors Service rating agencies. For Unrated Securities, the Investment Manager or Sub-Investment Manager is permitted to calculate a deemed rating.

- The Fund is not permitted to invest more than 5% of the Net Asset Value of its Scheme Property in securities rated below BB-/Ba3 by one of S&P Global Ratings, Fitch Ratings or Moody's Investors Service rating agencies.
- The Fund is not permitted to invest more than 5% of the Net Asset Value of its Scheme Property in securities that are unrated by one of, S&P Global Ratings, Fitch Ratings or Moody's Investors Service rating agencies.
- The Fund may invest up to 10% of the Net Asset Value of its Scheme Property in Collective Investment Schemes including both In-House Funds and Non-In House Funds.

Derivatives

The Fund will employ derivative instruments which may be exchange traded or over-the-counter and may include:

- Interest rate futures
- Deliverable and non-deliverable currency forward contracts
- Currency swaps
- Credit default swaps
- Index swaps
- Interest rate swaps
- Credit options and options on credit default swaps
- Index options
- Options on futures

Such derivative instruments will be used for (i) investment purposes and/or (ii) efficient portfolio management purposes. The derivatives will be used to assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.

In-House Funds

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds operated by the Manager or an associate of the Manager (In-House Funds).

Non In-House Funds

The following restrictions apply to investment in Collective Investment Schemes other than investment in In-House Funds.

The Fund shall not invest in a Collective Investment Scheme (second scheme) unless the second scheme meets each of the requirements set out in 1.1 to 1.3:

- 1.1 the second scheme complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
 - a) is a non-UCITS retail scheme; or
 - b) is a recognised scheme; or
 - c) is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or
 - d) is a Common Investment Fund.
- 1.2 the second scheme operates on the principle of the prudent spread of risk; and

- 1.3 the participants in the second scheme shall be entitled to have their units redeemed in accordance with that scheme at a price;

- a) related to the net asset value of the property to which the units relate; and
- b) determined in accordance with that scheme.

Additional

The Fund may invest not more than a total of 10% of the Net Asset Value of the Scheme Property as at the date of the investment in any transferable securities which are not approved securities.

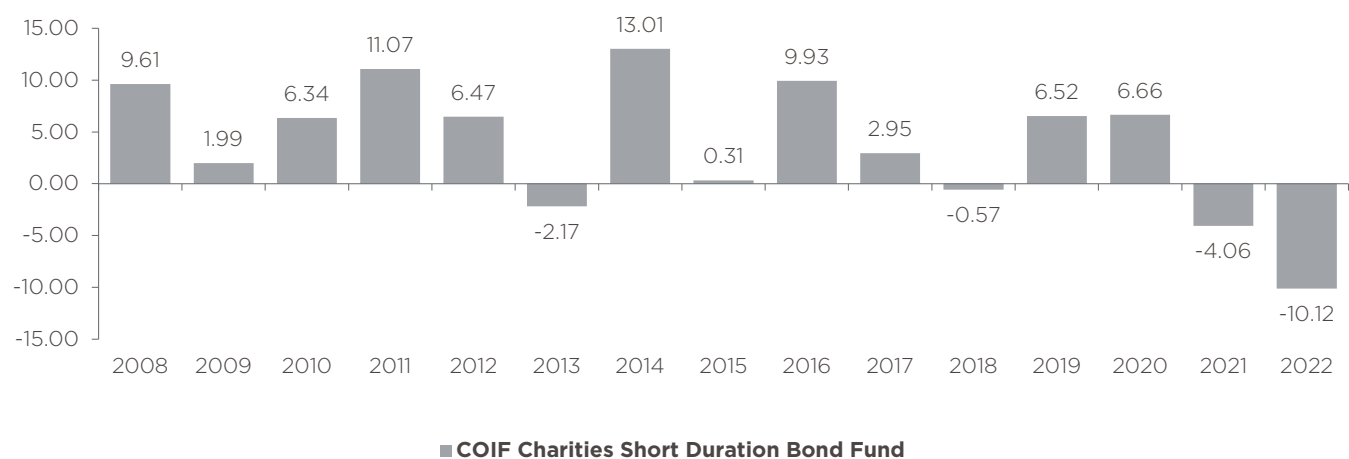
Cash

To the extent that it is not otherwise permitted under the provisions of the Scheme, the Scheme Property may include cash and near cash where this may reasonably be regarded as necessary in order to facilitate the cancellation of Units, or to further the efficient management of the Fund, or otherwise to enable the Manager to discharge its functions under the Scheme.

Appendix 3 – Past Performance

The performance below is shown net of all Fund charges and expenses. It has been calculated in the Base Currency of the Fund.

The Fund’s investment objective changed with effect from 27 July 2022 and therefore past performance before that date was achieved under circumstances that no longer apply.



The Fund launched in April 1990 and until 20 November 2023, was known as the COIF Charities Fixed Interest Fund.

Past performance is not a reliable indicator of future results.

Appendix 4 – Investment Policy Statement

This Investment Policy Statement is provided in accordance with clause 51.4 of the Scheme. It should be read in conjunction with these Scheme Particulars. The Investment Policy of the Fund is designed to meet the investment objective of the Fund and is made and reviewed by the Manager.

Investment Objective

The Fund aims to generate a total return (income plus capital growth) of cash (represented by SONIA) plus 1.75% per annum (net of fees and expenses) when measured over a rolling three year period.

There is no guarantee that the investment objective of the Fund will be achieved over any time period. Capital is at risk.

Investment Policy

The Fund will invest in a range of fixed and floating rate debt and/or debt related instruments issued by corporates and governments (government and public securities) including loans (which may be leveraged), inflation-linked securities, money market instruments and asset backed or other securitised products. Such instruments may be issued by issuers located in developed and emerging markets (as defined by MSCI for the purposes of its developed and emerging markets indices). Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the Manager, the Sub-Investment Manager or their associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds. Investments made by the Fund may be either liquid or illiquid in nature.

The Fund will be managed to ensure that the Fund's Duration is less than 3.5 years, with the aim of reducing the effect of changes in interest rates on the Fund's value. The Fund's Duration measures the sensitivity of the value of the Fund to a change in interest rates; the lower the Duration the less impact a change in interest rates will have on the Fund's value.

The Fund is actively managed which means the Investment Manager/Sub-Investment Manager uses their discretion to pick investments to seek to achieve the investment objective.

The Fund will invest in instruments issued in a range of currencies and will hedge the non-sterling denominated portion of the portfolio back to the Fund's Base Currency in a range of 95%-105% of the Net Asset Value of the Scheme Property, to reduce the risk of exposure to non-sterling currency fluctuations.

The Fund may invest in instruments that are either investment grade (credit rating of BBB- or above) or

non-investment grade (credit rating less than BBB-) as rated by one of S&P Global Ratings or Fitch Rating Services, or instruments with a credit rating of Baa3 or above (investment grade) or a credit rating of less than Baa3 (non-investment grade), as determined by Moody's Investors Service. Where an instrument does not have an explicit rating from one of these agencies ("**Unrated Securities**"), the Investment Manager or Sub-Investment Manager is permitted to calculate a deemed rating.

The constraints set out below will apply to the Fund. During periods of rapid credit rating downgrades and/or market illiquidity however these constraints may be temporarily exceeded. Where this occurs steps will be taken to bring the Fund into compliance with the constraints stated below within a reasonable period of time.

- The maximum exposure to non-investment grade securities is 20% of the Net Asset Value of the Scheme Property. Credit ratings used for measuring compliance with this rule are the highest of S&P Global Ratings', Fitch Ratings' and Moody's Investor Service long-term ratings.
- The maximum exposure to securities rated less than BB- is 5% of the Net Asset Value of the Scheme Property.
- The maximum exposure to Unrated Securities (including securities that the Investment Manager and/or Sub-Investment Manager have given a deemed rating) is 5% of the Net Asset Value of the Scheme Property.
- The Fund will invest no more than 10% of its Net Asset Value in Collective Investment Schemes including In-House Funds.

The Fund uses derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management. Efficient portfolio management includes hedging (for example, reducing currency risk) and otherwise managing the Fund in a way that is designed to reduce risk or costs and/or to generate extra income or growth with a level of risk consistent with the risk profile of the Fund.

The Fund is managed in accordance with our ethical investment exclusions policy which is set out in further detail on our website at www.ccla.co.uk.

Target Benchmark

The target benchmark for the Fund is SONIA plus 1.75% per annum.

The target benchmark sets a standard against which the performance of the Fund can be assessed.

Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an

actively managed fund that reflects the investment objective and Investment Policy of the Fund. Investors should be looking to invest for at least three years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Balance between different kinds of Investment

The balance between the different kinds of investment will be established in accordance with prudent diversification rules and the Manager's judgment of the future asset returns likely to fulfil the Fund's investment objective. To ensure that risk is mitigated as far as possible, the Fund's portfolio and its balance of assets will be monitored regularly by the Sub-Investment Manager, the Investment Manager and the Board.

Risk

The nature of the Fund is to be exposed to a number of risks as detailed in the Risks section of these Scheme Particulars. This means that the Unit price may fluctuate. Risk will be managed to the extent possible by diversification, the use of derivatives, and by following controlled administrative procedures.

Projected Return

It is not possible to accurately project a total return for a fund of this kind since markets are volatile and the value of investments can go down as well as up. Past performance is not a reliable indicator of future results. Policy will be to expect the Investment Manager/Sub-Investment Manager to match the target benchmark (after fees and expenses) over a three year rolling period.

The Realisation of Investments

The Fund will be actively managed, which means that investments will be realised by the Investment Manager/Sub-Investment Manager for both stock specific and asset allocation reasons in furtherance of the Investment Policy.

CCLA Fund Managers Limited

One Angel Lane
London
EC4R 3AB

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clientservices@ccla.co.uk

www.ccla.co.uk

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CCLA

BECAUSE GOOD IS BETTER